



**Commonwealth of Massachusetts**  
**DEPARTMENT OF HOUSING &  
COMMUNITY DEVELOPMENT**

Deval L. Patrick, Governor ♦ Timothy P. Murray, Lt. Governor ♦ Tina Brooks, Undersecretary

**FISCAL YEAR 2011  
LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)  
DETAILED STATE PLAN**

**SUBMITTED TO:**

**THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN  
OFFICE OF COMMUNITY SERVICES**

**AUGUST 2010**

**ADMINISTERED BY:  
THE MASSACHUSETTS DEPARTMENT OF HOUSING &  
COMMUNITY DEVELOPMENT  
DIVISION OF COMMUNITY SERVICES**

**LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)**

**DETAILED MODEL PLAN**

**PUBLIC LAW 97-35, AS AMENDED**

**Fiscal Year (Fiscal Year) 2011**

**GRANTEE: COMMONWEALTH OF MASSACHUSETTS**

**EIN: 1-046002284-K4**

**ADDRESS: DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT**

**100 CAMBRIDGE STREET, SUITE 300  
BOSTON, MA 02114**

**NAME OF LIHEAP COORDINATOR: Gerald Bell, Manager, Community Services Unit**

**EMAIL: gerald.bell@state.ma.us**

**TELEPHONE: 617-573-1438 FAX: 617-573-1460**

**PLEASE CHECK ONE: TRIBE \_\_\_\_\_ STATE X INSULAR AREA \_\_\_\_\_**

**Department of Health and Human Services  
Administration for Children and Families  
Office of Community Services  
Washington, DC 20447**

**August 1987, revised 05/92, 02/95, 03/96, 12/98, 11/01**

**OMB Approval No. 0970-0075**

**Expiration Date: 09/30/2011**

**THE PAPERWORK REDUCTION ACT OF 1995 (Pub. L. 104-13)**

Use of this model plan is optional. However, the information requested is required in order to receive a Low-Income Home Energy Assistance Program (LIHEAP) grant in years in which the grantee is not permitted to file an abbreviated plan. Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, gathering and maintaining the data needed, and reviewing the collection of information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Assurances

The Commonwealth of Massachusetts agrees to:  
(Grantee Name)

(1) use the funds available under this title to--

(A) conduct outreach activities and provide assistance to low-income households in meeting their home energy costs, particularly those with the lowest incomes that pay a high proportion of household income for home energy, consistent with paragraph (5);

(B) intervene in energy crisis situations;

(C) provide low-cost residential weatherization and other cost-effective energy-related home repair; and

(D) plan, develop, and administer the State's program under this title including leveraging programs,

and the State agrees not to use such funds for any purposes other than those specified in this title;

(2) make payments under this title only with respect to--

(A) households in which one or more individuals are receiving--

(i) assistance under the State program funded under part A of title IV of the Social Security Act;

(ii) supplemental security income payments under title XVI of the Social Security Act;

(iii) food stamps under the Food Stamp Act of 1977; or

(iv) payments under section 415, 521, 541, or 542 of title 38, United States Code, or under section 306 of the Veterans' and Survivors' Pension Improvement Act of 1978; or

(B) households with incomes which do not exceed the greater of—

(i) an amount equal to 150 percent of the poverty level for such State; or

(ii) an amount equal to 60 percent of the State median income;

except that a State may not exclude a household from eligibility in a fiscal year solely on the basis of household income if such income is less than 110 percent of the poverty level for such State, but the State may give priority to those households with the highest home energy costs or needs in relation to household income.

(3) conduct outreach activities designed to assure that eligible households, especially households with elderly individuals or disabled individuals, or both, and households with high home energy burdens, are made aware of the assistance available under this title, and any similar energy-related assistance available under subtitle B of title VI (relating to community services block grant program) or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;

(4) coordinate its activities under this title with similar and related programs administered by the Federal Government and such State, particularly low-income energy-related programs under subtitle B of title VI (relating to community services block grant program), under the supplemental security income program, under part A of title IV of the Social Security Act, under title XX of the Social Security Act, under the low-income weatherization assistance program under title IV of the Energy Conservation and Production Act, or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;

(5) provide, in a timely manner, that the highest level of assistance will be furnished to those households which have the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size, except that the State may not differentiate in implementing this section between the households described in clauses 2(A) and 2(B) of this subsection;

(6) to the extent it is necessary to designate local administrative agencies in order to carry out the purposes of this title, to give special consideration, in the designation of such agencies, to any local public or private nonprofit agency which was receiving Federal funds under any low-income energy assistance program or weatherization program under the Economic Opportunity Act of 1964 or any other provision of law on the day before the date of the enactment of this Act, except that—

(A) the State shall, before giving such special consideration, determine that the agency involved meets program and fiscal requirements established by the State; and

(B) if there is no such agency because of any change in the assistance furnished to programs for economically disadvantaged persons, then the State shall give special consideration in the designation of local administrative agencies to any successor agency which is operated in substantially the same manner as the predecessor agency which did receive funds for the fiscal year preceding the fiscal year for which the determination is made;

(7) if the State chooses to pay home energy suppliers directly, establish procedures to --

(A) Notify each participating household of the amount of assistance paid on its behalf;

(B) assure that the home energy supplier will charge the eligible household, in the normal billing process, the difference between the actual cost of the home energy and the amount of the payment made by the State under this title;

(C) assure that the home energy supplier will provide assurances that any agreement entered into with a home energy supplier under this paragraph will contain provisions to assure that no

household receiving assistance under this title will be treated adversely because of such assistance under applicable provisions of State law or public regulatory requirements; and

(D) ensure that the provision of vendor payments remains at the option of the State in consultation with local grantees and may be contingent on unregulated vendors taking appropriate measures to alleviate the energy burdens of eligible households, including providing for agreements between suppliers and individuals eligible for benefits under this Act that seek to reduce home energy costs, minimize the risks of home energy crisis, and encourage regular payments by individuals receiving financial assistance for home energy costs;

(8) provide assurances that,

(A) the State will not exclude households described in clause (2)(B) of this subsection from receiving home energy assistance benefits under clause (2), and

(B) the State will treat owners and renters equitably under the program assisted under this title;

(9) provide that--

(A) the State may use for planning and administering the use of funds under this title an amount not to exceed 10 percent of the funds payable to such State under this title for a fiscal year; and

(B) the State will pay from non-Federal sources the remaining costs of planning and administering the program assisted under this title and will not use Federal funds for such remaining cost (except for the costs of the activities described in paragraph (16));

(10) provide that such fiscal control and fund accounting procedures will be established as may be necessary to assure the proper disbursement of and accounting for Federal funds paid to the State under this title, including procedures for monitoring the assistance provided under this title, and provide that the State will comply with the provisions of chapter 75 of title 31, United States Code (commonly known as the "Single Audit Act");

(11) permit and cooperate with Federal investigations undertaken in accordance with section 2608;

(12) provide for timely and meaningful public participation in the development of the plan described in subsection (c);

(13) provide an opportunity for a fair administrative hearing to individuals whose claims for assistance under the plan described in subsection (c) are denied or are not acted upon with reasonable promptness; and

(14) cooperate with the Secretary with respect to data collecting and reporting under section 2610.

(15) \* beginning in fiscal year 1992, provide, in addition to such services as may be offered by State Departments of Public Welfare at the local level, outreach and intake functions for crisis situations and

heating and cooling assistance that is administered by additional State and local governmental entities or community-based organizations (such as community action agencies, area agencies on aging and not-for-profit neighborhood-based organizations), and in States where such organizations do not administer functions as of September 30, 1991, preference in awarding grants or contracts for intake services shall be provided to those agencies that administer the low-income weatherization or energy crisis intervention programs.

**\* This assurance is applicable only to States, and to territories whose annual regular LIHEAP allotments exceed \$200,000. Neither territories with annual allotments of \$200,000 or less nor Indian tribes/tribal organizations are subject to Assurance 15.**

(16) use up to 5 percent of such funds, at its option, to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance, including needs assessments, counseling, and assistance with energy vendors, and report to the Secretary concerning the impact of such activities on the number of households served, the level of direct benefits provided to those households, and the number of households that remain unserved.

Certification to the Assurances: As Chief Executive Officer, I agree to comply with the sixteen assurances contained in Title XXVI of the Omnibus Budget Reconciliation Act of 1981, as amended.\* By signing these assurances, I also agree to abide by the standard assurances on lobbying, debarment and suspension, and a drug-free workplace.

Signature of the Tribal or Board Chairperson or Chief Executive Officer of the State or Territory.\*\*

Signature: \_\_\_\_\_

Francena Brooks

Title: \_\_\_\_\_

Undersecretary

Massachusetts Department of Housing and Community Development

Date: \_\_\_\_\_

Aug 31, 2010

**\* Indian tribes/tribal organizations, and territories with annual regular LIHEAP allotments of \$200,000 or less, are not subject to assurance 15, and thus must only certify to 15 assurances.**

**\*\* If a person other than the Chief Executive Officer of the State or territory, or Tribal Chairperson or Board Chairperson of a tribal organization, is signing the certification to the assurances, a letter must be submitted delegating such authority. (PLEASE ATTACH DELEGATION of AUTHORITY.) The delegation must include authority to sign the assurances, not just to administer the program.**

**\*\*\* HHS needs the EIN (Entity Identification Number) of the State, territory or Tribal agency that is to receive the grant funds before it can issue the grant.**

In the above assurances which are quoted from the law, "State" means the 50 States, the District of Columbia, an Indian Tribe or Tribal Organization, or a Territory; "title" of the Act refers to Title XXVI of the Omnibus Budget Reconciliation Act of 1981 (OBRA), as amended, the "Low Income Home Energy Assistance Act"; "section" means Section 2605 of OBRA; and, "subsection" refers to Section 2605(b) of OBRA.



OFFICE OF THE GOVERNOR  
**COMMONWEALTH OF MASSACHUSETTS**  
STATE HOUSE • BOSTON, MA 02133  
(617) 725-4000

**DEVAL L. PATRICK**  
GOVERNOR

**TIMOTHY P. MURRAY**  
LIEUTENANT GOVERNOR

August 31, 2010

Mr. Nick St. Angelo  
Director  
Division of Energy Assistance  
Office of Community Services  
Administration for Children and Families  
U.S. Department of Health and Human Services  
370 L'Enfant Promenade, S.W.  
Washington, DC 20447

Dear Mr. St. Angelo:

In accordance with Title XXVI of the Low-Income Home Energy Assistance Act of 1981, Public Law 97-35, as amended, I hereby designate the Department of Housing and Community Development (DHCD) to act as the lead agency for the administration of the Low-Income Home Energy Assistance Program. Francena Brooks, as the Undersecretary of DHCD, is authorized to make the certifications, provide the assurances and execute all documents required to implement the Low-Income Home Energy Assistance Program.

Sincerely,

A handwritten signature in black ink, appearing to read "Deval Patrick", written over a large, loopy flourish.

**COMMONWEALTH OF MASSACHUSETTS  
LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)  
FISCAL YEAR 2011 APPLICATION/STATE PLAN**

**I. INTRODUCTION**

In accordance with the "Low-Income Home Energy Assistance Act of 1981" and subsequent amendments, the Governor of the Commonwealth of Massachusetts has designated Francena Brooks, Undersecretary, Department of Housing and Community Development (DHCD), as his designee to submit to the Department of Health and Human Services (HHS) this Application/State Plan for the Federal Low-Income Home Energy Assistance Program for Fiscal Year 2011. The Governor has designated the Department of Housing and Community Development as the single state agency to administer this program.

The address of the state administering agency is:

Department of Housing and Community Development

*Attention: Francena Brooks, Undersecretary*

100 Cambridge Street, Suite 300

Boston, MA 02114

(617) 573-1100

Copies of correspondence should also be sent to:

Department of Housing and Community Development

Division of Community Services

*Community Services Unit*

*Attention: Gerald Bell*

Manager, Community Services Unit

100 Cambridge Street, Suite 300

Boston, MA 02114

Phone: (617) 573- 1400

Fax: (617) 573-1460

E-mail: [gerald.bell@ocd.state.ma.us](mailto:gerald.bell@ocd.state.ma.us)



## II. PROGRAM SUMMARY AND HIGHLIGHTS

The LIHEAP funding for Fiscal Year 2011 had not been finalized before the preparation of this Plan. However, the federal budget for Fiscal Year 2010 was \$5.1 billion nationally. This amount provided Massachusetts with \$174,061,218 in LIHEAP base and \$16,850,200 in emergency contingency allocations. There is about \$100 million remaining in federal contingency funding that could be released before the end of the federal Fiscal Year 2010.

In anticipation of a LIHEAP block grant of approximately \$104,906,000<sup>1</sup> million for Fiscal Year 2011, Massachusetts is proposing the program and benefits as outlined below. These plans will be subject to final federal fund availability, but represent the most appropriate contingency at this point in time.

The following summary contains key aspects of the Fiscal Year 2011 LIHEAP in Massachusetts:

- ❖ **Program Year:** Will extend from October 1, 2010, to September 30, 2011; heating benefits are available from November 1, 2010 through April 30, 2011.
- ❖ **Benefit Levels:** Shown in Attachment B. They are based on a proposed national allocation of \$3.3 billion as contained in the President's Budget for Fiscal Year 2011 and estimated, weighted consumption averages, income levels, family size, and housing type that result in a cost-based benefit matrix. The President's Budget also includes a trigger provision, which could make additional \$2 billion available for LIHEAP in 2011.

**NOTE:** Benefit levels are subject to change based on final availability of federal funds.

- ❖ **Leveraging Initiatives:** For deliverable fuels, the Margin-Over-Rack (MOR) oil pricing method and the Haverhill Area Oil Bid Program shall continue as the major oil savings initiatives. The MOR has a set margin of 40 cents per gallon above the daily average price of oil as reported by the Oil Price Information Service (OPIS).

DHCD's Community Services Unit (CSU) within the Division of Community Services (DCS) shall continue to be active in the implementation of discounted utility rate offerings for fuel assistance recipients. Although standard enrollment process and billing procedures are currently in place, DHCD shall seek further enhancements to its standard billing format with a goal to accurately capture LIHEAP client consumption information.

**NOTE:** During Fiscal Year 2009, the Massachusetts LIHEAP network leveraged \$109,732,767 in non-federal resources and received \$1,034,389 in Leveraging Incentive grant from HHS during Fiscal Year 2010.

**HEARTWAP (Heating Emergency Assistance Retrofit Task Weatherization Assistance Project) Support:** The heating system repair/replacement component shall receive a commitment of \$12 million from LIHEAP funds. This allocation shall fund "essential repairs" for fuel assistance eligible households.

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<sup>1</sup> Congressional Research Service, July 2010.

### **III. PURPOSE/ALLOCATION OF FUNDS**

#### **A. Distribution of Funds**

LIHEAP funds shall be allocated using a historical formula developed when LIHEAP was originally established. The U.S. Department of Health and Human Services (HHS) awards LIHEAP block grant funds by formula to the 50 states and District of Columbia, federally- or state-recognized Indian tribes and tribal organizations, and insular areas. The LIHEAP statute authorizes the use of funds derived for the following types of energy assistance:

- Home energy assistance
- Energy crisis intervention or crisis assistance
- Low-cost residential weatherization and other energy-related home repair

The LIHEAP statute authorizes the use of block grant funds for other uses including:

- Administrative/planning costs (up to 10%)
- Carryover of funds to subsequent fiscal year (up to 10% of “funds payable”)
- Identification, development and demonstration of leveraging programs
- Obligation of leveraging incentive funds
- Assurance 16 activities (up to 5%)

#### **B. Use of Contingency Funds**

Contingency funds may be used for any purpose authorized under LIHEAP including heating assistance, crisis assistance, weatherization, administrative costs, and carryover, subject to normal LIHEAP restrictions. Contingency funds shall be added to the regular block grant allocation for the current fiscal year to determine limits on weatherization, administration and planning costs, and Assurance 16 activities. Massachusetts has traditionally used contingency funds to increase benefit levels, but may, at its discretion, use funding for such activities as providing additional crisis assistance, making supplemental payments, increasing weatherization and Assurance 16 activities, and other activities allowable under the LIHEAP statute.

#### **C. Allocation of State Funding**

Any state supplement to LIHEAP shall be used for the purposes of assisting low-income households with the purchase of heating oil, propane, natural gas, electricity and other primary or secondary heating sources. Distribution of state funds shall be made on the same basis as federal funds in determining Subgrantee allocations and expenditures shall be incurred in accordance with the State Plan submitted by DHCD to HHS.

**STATUTORY REFERENCES: 2605(a), 2605(b)(1) USE OF FUNDS****Use of Funds****Dates of Operation**

<u>  X  </u> heating assistance	<u>11/01/2010 – 4/30/2011</u>
<u>      </u> cooling assistance	<u>Not applicable</u>
<u>  X  </u> crisis assistance	<u>11/01/2010 – 4/30/2011</u>
<u>  X  </u> weatherization assistance	<u>11/01/2010 – 4/30/2011</u>

**STATUTORY REFERECES: 2605(c)(1)(C) USE OF FUNDS****Use of Funds**

	<u>72.12</u> % heating assistance
	<u>      </u> % cooling assistance
	<u>  3  </u> % crisis assistance*
2605(k)(1)	<u>11.4</u> % weatherization assistance
	<u>  0  </u> % carryover to the following fiscal year
2605(b)(9)	<u>10</u> % administrative and planning costs
2605(b)(16)	<u>3.4</u> % services to reduce home energy needs including needs assessment (Assurance 16)
	<u>  0.07</u> % used to develop and implement leveraging activities (limited to the greater of 0.08% or \$35,000 for States, the greater of 2% or \$100 for territories, tribes and tribal organization.
	<u>  0.01</u> % Heat-Eat Assistance Program (H-EAT) for up to \$10,000 or less than 1%. See pp. 14-15.
	<u>100</u> % <b>TOTAL</b>

\*Massachusetts uses a Fast Track crisis assistance program.

**STATUTORY REFERENCES: 2605(c)(1)(C) ALTERNATE USES OF CRISIS ASSISTANCE FUNDS**

<u>  x  </u> heating assistance
<u>      </u> cooling assistance
<u>      </u> weatherization assistance
<u>      </u> Other(specify)

Do you accept applications for energy crisis assistance at sites that are geographically accessible to all households in the area to be served? Yes X No       

#### IV. ELIGIBILITY REQUIREMENTS

##### STATUTORY REFERENCES: 2605(b)(2), 2605 (c)(1)(A) ELIGIBILITY REQUIREMENTS

       150% of the poverty guidelines: heating        cooling        crisis        wx         
       125% of the poverty guidelines: heating        cooling        crisis        wx         
       110% of the poverty guidelines: heating        cooling        crisis        wx         
X 60% of the State's median income: heating X cooling        crisis X wx X  
       Other (specify Fiscal Year for each component)  
       Households automatically eligible if one person is receiving  
       TANF,        SSI,        Food Stamps  
       Certain means-tested veterans programs (heating        cooling        crisis        wx       )

##### STATUTORY REFERENCES: 2605(c)(1)(A) 2605(b)(2) ELIGIBILITY REQUIREMENTS

Do you have additional eligibility requirements for:

**HEATING ASSISTANCE** X Yes        No)

	<u>Yes</u>	<u>No</u>
Assets test?	<u>      </u>	<u>X</u>
Do you give priority in eligibility to:		
Elderly?	<u>      </u>	<u>X</u>
Disabled?	<u>      </u>	<u>X</u>
Young children?	<u>      </u>	<u>X</u>
Other:	<u>      </u>	<u>X</u>
(If Yes, please describe)		

Subsidized housing tenants eligible	<u>X</u>
If heat is included in rent	<u>X*</u>
If heat is not included in rent	<u>X</u>
Self Employed Applicants	<u>X</u>
Tenants of Assisted Living Facility	<u>X**</u>

\*These households are not eligible for a benefit if total rent payment is less than 30% of household income. \*\* These households are eligible for a benefit if heat is not included in occupancy cost and there is no heating surcharge added to the lease.

**STATUTORY REFERENCES: 2605(c)(1)(A) 2605(b)(2) COOLING ASSISTANCE**

Do you have additional eligibility requirements for cooling assistance?

Not applicable.

**STATUTORY REFERENCES: 2604(c) 2605(c)(1)(A) CRISIS ASSISTANCE**

Do you have additional eligibility requirements for crisis assistance? YES  
(eligibility)

	<u>Yes</u>	<u>No</u>
→Do you use:		
Assets test?	_____	<u>X</u>
Must the household have received a shut-off notice or have an empty tank?	<u>X</u>	_____
Must the household have exhausted regular benefit?	_____	<u>X</u>
Must the household have received a rent eviction notice?	<u>X</u>	_____
Must heating/cooling be medically necessary?	_____	<u>X</u>
Other (Please explain):	<u>X</u>	_____

Residents of Assisted Living Residences (ALR) are eligible if heat is not included in the occupancy cost and the lease does not contain any heating surcharges.

**V. CRISIS ASSISTANCE**What constitutes a crisis?

Massachusetts uses a *FastTrack* emergency assistance program. Therefore, all crisis applicants are served within 18 hours. Any one of the following conditions shall constitute a crisis.

The crisis intervention component of Massachusetts' LIHEAP has been developed as a *FastTrack* system, integrated into the heating assistance program, for prioritizing and expediting service to households experiencing heating emergencies. The purpose of this *FastTrack* system is to provide swift response to heating emergencies, while steering applicants into the mainstream heating assistance component with full benefits. Emergency applications are given priority at all intake and

processing steps. Local Administering Agencies (LAAs) are required to provide for emergency service within 18 hours of the eligible household's application or request, in accordance with the statute and corresponding procedures outlined in the Fiscal Year 2011 administrative Guidance.

The criteria for designating an emergency are as follows:

- a. no heat for any reason, including heating system failure
- b. imminent loss of heat, due to:

less than 3-day supply of fuel (e.g., reading of 1/8 tank or less on a standard 275 gallon heating oil tank; "3-day or less" supply standard applies to other delivered fuels); or

possession of final notice of utility termination for the primary heat source, or for a secondary source necessary to operate the primary heating system; or

threatened eviction within 72 hours for renter whose rent includes heat

Households shall make application for the program using the standard LIHEAP application form. Households shall have their incomes determined under the regular LIHEAP income standards. The current benefit matrix shall apply to the households determined eligible.

#### **STATUTORY REFERENCES 2605(c)(1)(A) WEATHERIZATION ASSISTANCE**

Do you have additional eligibility requirements for: WEATHERIZATION X Yes No

Do you use: Yes No

Assets test?        X

Priority groups? (Please list)        X

Are you using Department of Energy (DOE) Low-Income Weatherization Assistance Program (LIWAP) rules to establish eligibility or to establish priority eligibility for households with certain characteristics?

       X

Eligibility is based on LIHEAP income and need for specific weatherization services provided by the Heating Emergency Assistance Retrofit Task Weatherization Assistance Program (HEARTWAP).

#### **STATUTORY REFERENCES 2605(b)(3) 2605(c)(3)(A) OUTREACH**

The Subgrantee conducts the following outreach activities designed to assure that eligible households are made aware of available LIHEAP assistance.

X provide intake service through home visits or by telephone for the physically infirm (i.e., elderly or disabled).

X place posters/flyers in local and county social service offices, offices of aging, Social Security offices, VA, etc.

X publish articles in local newspapers or broadcast media announcements.

X include inserts in energy vendor billings to inform individuals of the availability of all types of LIHEAP assistance.

X make mass mailing to past recipients of LIHEAP.

X inform low-income applicants of the availability of all types of LIHEAP assistance at application intake for other low-income programs.

X execute interagency agreements with other low-income program offices to perform outreach to target groups.

X other (Please specify):

- Utilize early application for energy crisis at sites that are geographically accessible to all households in the area to be served.
- Accept applications for energy crisis at sites that are geographically accessible to all households in the area to be served.

Subgrantees are also required to maintain accessible intake sites, home visit capacity, general publicity, bilingual assistance for applicants, and use of existing networks to reach target households. The use of mail recertification reduces the need and demand for home visits to elderly and disabled households. Subgrantees are instructed to target high-risk groups within their service areas, including the Limited English Proficiency (LEP) population. Furthermore, DHCD strongly encourages that Subgrantees afford intake outside of normal business hours, when needed. In fact, several Subgrantee agencies practiced this in Fiscal 2009 and on a limited basis in Fiscal Year 2010.

DHCD shall maintain working relationships with other agencies such as the Department of Transitional Assistance (DTA) and the Executive Office of Elder Affairs, which will assist in program outreach activities. Local agencies are also encouraged to develop such networks.

As for additional steps taken to target households with high home energy burdens, DHCD and its network have traditionally promoted the program to those facing high energy bills and/or financial hardships. As an example, the customer service departments of local utilities and the Consumer Division of the State Department of Public Utilities often refer households with financial hardship and payment difficulties to the LIHEAP program. Many of these households face excessive energy burdens. In addition, high energy burden households will receive additional "priority points" as part of DHCD's current protocol to target weatherization services, which will help reduce energy bills, and the need for assistance.

With the majority of served households having incomes below the poverty line, these low-income recipients are in a vulnerable position with respect to high energy costs. LIHEAP vendors are key in referring households with high burden/payment troubles to their local LIHEAP agency. High energy

users can be targeted for outreach by both vendors and agencies in the normal course of disseminating information on the program.

#### **STATUTORY REFERENCES 2605(b)(4) COORDINATION**

DHCD's Division of Community Services (DCS) houses the LIHEAP and the energy conservation operations, as well as other related community programs, in the Community Services Unit (CSU) and Energy Conservation Unit (ECU). DCS receives funding and administers a variety of programs under the Community Services Block Grant, via a network of Community Action Agencies. Under contract with DHCD, these agencies also administer the LIHEAP program, with two exceptions<sup>2</sup>.

A high degree of coordination among programs, appropriate referrals, and a complete service package is largely ensured by the multi-faceted nature of these local agencies. (See Attachment A for Subgrantee listing).

DCS works to share information, develop service capacity, and integrate resources through groups such as the LIHEAP Advisory Group, Massachusetts Association of Community Action Programs (MASSCAP), the Massachusetts Energy Directors Association (MEDA) and the Energy Policy Advisory Group (EPAG).

Within DCS, both LIHEAP and energy conservation operations have collaborated with the Subgrantees to develop a single standardized Fuel Assistance/Weatherization Assistance application form. This application, when filed for fuel assistance during the heating season, also serves as a single point of entry and certification for all energy assistance programs offered by DCS

During Fiscal Year 2011, DHCD shall continue to pursue the involvement of other governmental agencies in LIHEAP administration. DHCD shall seek the assistance of the Massachusetts Department of Revenue (DOR), Massachusetts Department of Transitional Assistance (DTA), and the U.S. Social Security Administration in specific aspects of income verification and related eligibility information, and in the prevention of potential fraud situations.

DHCD shall continue to work with the Executive Office of Energy and Environmental Affairs, Department of Energy Resources (DOER) and the Department of Public Utilities (DPU) regarding rate structures and rate relief for low-income consumers and other issues concerning major investor-owned utility companies. Increased involvement and a variety of strategies shall be examined with utility companies on issues concerning policies on discount rate programs, including enrollment, alternative payment plans and retroactive program billing dates. DHCD shall continue to support the National Consumer Law Center (NCLC) in its efforts to provide quality utility rights training to the LIHEAP network.

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<sup>2</sup> The City of Cambridge, Department of Human Services and the New England Farm Workers' Council, Inc., are the two non-CAA LIHEAP Subgrantees.



DHCD staff work regularly with both DPU and individual utility companies to coordinate enrollment of LIHEAP recipients in the various discounted rates and Arrearage Management Program (AMP), which are offered by all major utilities in the Commonwealth.

For Fiscal Year 2011, DHCD shall continue to coordinate with DTA to administer the H-EAT Program. The Supplemental Nutritional Assistance Program (SNAP) application and re-certification forms shall include a language advising clients that they shall be auto-enrolled in a special fuel assistance program (the H-EAT program), if determined eligible. These food stamp recipient families will become eligible to receive a higher shelter deduction due to LIHEAP enrollment and will experience an increase in their food stamp benefit. During Fiscal Year 2011, DHCD plans to serve up to 10,000 food stamp recipient households under this new joint initiative.

The Residential Assistance for Families in Transition (RAFT) Program is administered by DHCD to provide financial assistance to homeless families and families at risk of becoming homeless. The RAFT Program provides short term, limited financial assistance to enable families to retain housing, obtain new housing or otherwise avoid homelessness. Applicants apply directly to one of nine (9) Regional Non-Profit housing agencies (RNPs) that are contracted to operate the program across the state. Eligible uses of funds include rent and mortgage arrearages, utility arrearages or heating fuel, security deposit/1st and last months' rent, employment related transportation expenses, furnishings, and monthly rental stipends. Eligible families must meet income guidelines and must demonstrate that their housing situation will be sustainable with the receipt of RAFT. Whereas utility payments/arrearages are an eligible use of RAFT funds, DCS shall ensure the coordination of the LIHEAP and RAFT programs among the provider network.

## **VI. BENEFIT LEVELS**

### **STATUTORY REFERENCES: 2605(b)(5) 2605(b)(2) 2605(b)(8A) BENEFIT LEVELS**

The statute requires that there be no difference in the treatment of households eligible because of their income and those eligible because they receive benefits under TANF, Food Stamps, SSI, or certain means-tested veterans programs ("categorically eligible").

How do you ensure there is no difference when determining eligibility and benefit amounts?

DHCD has specific income eligibility criteria outlined in the LIHEAP Administrative Guidance for Program Operators. Since the Massachusetts LIHEAP does not recognize categorical eligibility, those households that receive income from the sources mentioned above are treated the same as those households with income from any other source. The eligibility of all households is based on annualized income and family size. The benefit amount is determined in the same manner regardless of the source of income; the determining factors are family income and size and where these factors place the household in the Massachusetts LIHEAP benefit matrix.

### **STATUTORY REFERENCES: 2605(b)(5) HEATING COMPONENT**

Please check the variables you use to determine your benefit levels (check all that apply):

☒ income  
☒ family (household) size  
☒ home energy cost or need  
☒ fuel type<sup>3</sup>  
☐ climate/region  
☐ individual bill  
☒ dwelling type<sup>4</sup>  
☒ energy burden (% of income spent on home energy)  
☐ energy need  
☒ other (describe) – Funding and anticipated number of households to be served.

**STATUTORY REFERENCES: 2605(b)(5) 2605(c)(1)(B) BENEFIT LEVELS**

Describe how you will assure that the highest benefits go to households with the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size.

DHCD uses a mixture of a fixed benefit determined by poverty level, with an additional benefit (as High Energy Cost Supplement) by fuel cost/fuel type to determine the benefit to be awarded each household. This process assures that households with the lowest income and the highest fuel costs receive the most benefits. A preliminary maximum benefit has been set at \$515 per household, which is contingent upon DHCD receiving at least \$104,906,000 in federal LIHEAP allocation in FY 2011. Benefit levels for all income groups are shown in Attachment B.

Do you provide in-kind (e.g., blankets, space heaters) and/or other forms of benefits? Yes ☒ No  
If Yes, please describe.

**STATUTORY REFERENCES: 2605(b)(5) 2605(c)(1)(B) COOLING COMPONENT**

Not applicable.

**STATUTORY REFERENCES: 2605(b)(5) 2605(c)(1)(B) CRISIS COMPONENT**

Benefit determination – how do you handle crisis situations?

☐ Separate Component ☒ Other<sup>5</sup>

If you have a separate component, how do you determine crisis assistance benefits?

\_\_\_\_\_ amount to resolve crisis, up to maximum

\_\_\_\_\_ other (please describe)

<sup>3</sup> As determined by DHCD from time to time.

<sup>4</sup> Subsidized housing tenants receive a partial benefit.

<sup>5</sup> Included in regular LIHEAP. See Crisis Assistance.

Please indicate the maximum benefit for each type of crisis assistance offered.

heating	\$ <u>          </u> maximum benefit – Not applicable
cooling	\$ <u>          </u> maximum benefit – Not applicable
year-round	\$ <u>          </u> maximum benefit – Not applicable

Do you provide in-kind (e.g. blankets, space heaters, fans) and/or other forms of benefits?

       Yes   X   No If Yes, please describe.

**STATUTORY REFERENCES: 2605(b)(5) 2605(c)(1) (B) & (D) WEATHERIZATION & OTHER ENERGY RELATED HOME REPAIR AND IMPROVEMENTS**

What LIHEAP weatherization services/materials do you provide? (Check all categories that apply.)

(types of assistance)	<u>      </u> Weatherization needs assessments/audits.
	<u>      </u> Caulking, insulation, storm windows, etc.
	<u>  X  </u> Furnace/heating system modifications/repairs
	<u>  X  </u> Furnace replacement
	<u>      </u> Cooling efficiency mods/repairs/replacement
	<u>      </u> Other (Please describe)

Do you have a maximum LIHEAP weatherization benefit/expenditure levels) per household?

  X   Yes        No, If Yes, what is the maximum amount? \$ 5,000

Under what rules do you administer LIHEAP weatherization? (Check only one.)

  X   Entirely under LIHEAP (not DOE) rules

Under the Heating Emergency Assistance Retrofit Task Weatherization Assistance Program (HEARTWAP), heating system services will be provided on an as-needed basis. The services include the cleaning, tuning and evaluation of heating systems, repair and upgrade of existing components, replacement of burners and replacement of unsafe, inoperable or gravity warm air heating systems. Expenditures per home may range from \$125 for a system tune-up to \$5,000 for a heating system replacement. In addition to the direct heating system work, HEARTWAP provides up to \$1,600 for abatement of friable asbestos when replacing a heating system, and for client education in the most efficient use of the heating system. LIHEAP households are automatically eligible to receive HEARTWAP services, and are considered to have priority status for such.

**NOTE:** Full scale weatherization will be available to eligible LIHEAP Households through the Department of Energy's (DOE) Weatherization Assistance Program (WAP). At an average cost of \$5,500 per weatherized home, WAP shall provide an energy audit, insulation of attics, walls, and

perimeters, air sealing, and other measures, such as health and safety repairs, according to DHCD determined and DOE approved priorities and guidance.

The maximum allowable WAP expenditure in a home shall be \$10,000 in labor and materials. The majority of LIHEAP recipients are eligible for WAP services.

Energy efficiency activities are administered within the Energy Conservation Unit (ECU) and these activities are coordinated closely with LIHEAP personnel. Many of the Subgrantees that operate the energy efficiency programs also operate LIHEAP.

#### **STATUTORY REFERENCES: 2605(b)(6) LOCAL ADMINISTERING AGENCIES**

The state or tribe administers LIHEAP through the following local agencies:

	<input type="checkbox"/> county welfare offices
	<input checked="" type="checkbox"/> community action agencies (weatherization component only)
	<input checked="" type="checkbox"/> community action agencies (heating, cooling or crisis
(agency	<input type="checkbox"/> charitable organizations
designation)	<input type="checkbox"/> not applicable (i.e. state energy office)
	<input type="checkbox"/> tribal office
	<input checked="" type="checkbox"/> other, describe: local community-based organization and Municipality.

#### **Local Administering Agencies**

Massachusetts currently subcontracts for local administration of Fuel Assistance with twenty-one (21) agencies, nineteen (19) of which are Community Action Agencies that are in operation under the Economic Opportunity Act of 1964. DHCD reserves the right to select a Subgrantee in any service area via a Request For Response process or by designation of the Undersecretary of DHCD.

A list of designated Subgrantees is included as Attachment A to this Application/State Plan. A statewide distribution formula shall be prepared which allocates program funds to service areas based on prior year expenditures for the area covered by the Subgrantee. A cost formula for allocation of administrative funds to the Local Administering Agency for each of the LIHEAP agencies is utilized.

Have you changed local administering agencies from last year? \_\_\_\_\_ Yes ☒ No

#### **VII. GENERAL PROGRAM BACKGROUND**

During Fiscal Year 2010, based on responses received under a Request for Proposal, DHCD sponsored a review of Massachusetts Low-Income Home Energy Assistance Program conducted by a team of consultants representing the National Consumer Law Center (NCLC), Theo MacGregor Energy Consultancy, and the Donahue Institute, University of Massachusetts. In FY 2011, the following programmatic changes shall be made:

**Subsidized Housing Recommendation:** Regardless of housing subsidy type, all eligible applicants with a housing subsidy shall be awarded a partial LIHEAP benefit.

Furthermore, the amount of partial benefit shall increase from its current 50% to 70% of the maximum LIHEAP benefit. Subsidized housing tenants whose heat is included in rent and pay 30% or less of their income towards rent, shall continue to be ineligible for LIHEAP assistance.

**Assisted Living:** Those income-eligible applicants residing in assisted living residences, as defined by M.G.L. c. 19D, may only qualify for fuel assistance if they are responsible for paying for their own separately-metered and there is no separate, documented heating surcharge imposed by the assisted living residence's sponsor/operator.

**Residents of substandard dwelling units:** When a Subgrantee becomes aware of substantial violation of the State Sanitary Code in a LIHEAP applicant's housing unit, LIHEAP benefits shall be denied. A substandard dwelling unit contains substantial violations of the State Sanitary Code deemed to endanger or impair the health or safety and well-being of the persons occupying the units, pursuant to 105 CMR 410.750. Currently, "illegal rooming houses" are the only type of non-standard housing situation where an applicant can be deemed ineligible to receive LIHEAP assistance.

**Self-Employment Applicants:** DHCD shall establish a standard self-employment deduction of not more than 40% of gross business profit to be determined through a survey of Subgrantee agencies. Actual expenses may be allowed if the client appeals to the state with documentation of higher deductions. Currently, specific line item deductions for each business type's tax form are accepted.

**High Energy Cost Supplement (HECS):** DHCD shall explore the possibility of utilizing heating cost data over a 12 month period from the date of LIHEAP application to determine eligibility for an additional HECS benefit for applicants whose heating costs exceed a predetermined threshold established by DHCD.

Each year DHCD collects consumption data and conducts an annual review of heating costs for LIHEAP recipients, by fuel type, family size, and other household characteristics. The focus of the analysis is on the major heating sources of gas, oil, and electricity which encompass close to 90% of served households in Massachusetts. Based on recent data, the results indicate that heating costs of these three sources have remained stable over the past two years. It should be noted that both the availability of major utility discounts for many LIHEAP households, as well as the average savings of approximately .30 cents per gallon resulting from the MOR program, have contributed to cost-saving measures for most LIHEAP recipients. A significant number of LIHEAP households have received energy efficiency services through the WAP, HEARTWAP and gas and electric utility-funded programs, which further reduce their energy burden.

Massachusetts uses a benefit distribution method that was developed by the Massachusetts Institute for Social and Economic Research (MISER). This benefit distribution method is based on factors of income and actual heating costs incurred by households. In order to ensure that benefits are targeted to households with the lowest incomes and the highest costs/needs, DHCD makes the 0 to 100% of poverty group eligible for the highest heating benefit. Those with high costs and need will be eligible for an additional benefit (High Energy Cost Supplement) based on actual energy billing. The latter is substantially supported by weighted averages from a study conducted by MISER.

In accordance with LIHEAP regulations and pending the availability of funds, Subgrantees may provide such services as needs assessment, referral, budget counseling, energy education/awareness and vendor relations as part of the ongoing servicing of eligible households. These services, under Assurance 16 of the LIHEAP statute, shall be directed toward households that may be in financial/energy crisis requiring individual attention beyond the standard course of action. During Fiscal Year 2010, a total of \$3,597,395 in Assurance 16 funds were provided to Subgrantees in accordance with the LIHEAP statute. The funding is used to enhance outreach efforts to eligible customers. DHCD stresses the importance of conducting more targeted outreach, work with utilities on issues impacting users, particularly elders, and expand education and awareness efforts. DHCD will monitor the Assurance 16 activities conducted by Subgrantees to ensure compliance with funding requirements.

All households are required to complete an application for assistance and to document their income to determine eligibility. In general, households are determined eligible based on the amount of household income rather than whether it came from any particular source. Therefore, the Commonwealth does not differentiate in the provision of assistance between households described in clauses 2(A) and 2(B) under Section 2605 (b) of the LIHEAP statute. Income eligibility determinations are made in accordance with DHCD's Administrative Guidance for Program Operators. Mail-in recertifications for prior year recipients aids in timely eligibility determination, and earlier payment processing. DHCD has developed a comprehensive set of guidelines for the administration of the program that address intake procedures, eligibility, income verification and program benefits as well as other operational issues.

In keeping with the statutory requirement that payments be made in a timely manner, Massachusetts shall require its Subgrantees to pay vendors within thirty (30) days of receipt of an authorized bill for payment, unless otherwise negotiated with the vendor. This timetable applies to vendor payments regardless of their regulated or non-regulated status.

Service for all eligible clients in emergency situations shall be provided within an 18-hour timeframe as specified in the statute. DHCD has updated the poverty guidelines for the Fiscal Year 2011 program year using 2010 HHS Poverty Guidelines and State Median Income Estimates.

DHCD's prescribed method for determining eligibility based on income, household size and housing situation provides equitable treatment for all applicant households. In keeping with the legislative mandate that higher benefit levels be available for households with the highest energy costs or needs in relation to income, an eligibility matrix has been developed on the basis of income ranges. The income ranges are as follows:

A. For Fuel/Crisis Assistance

1. Households at or below 100% of federal poverty level.
2. Households at or below 125% of federal poverty level.
3. Households at or below 150% of federal poverty level.
4. Households at or below 175% of federal poverty level.
5. Households at or below 200% of federal poverty level.
6. Households between 201% of federal poverty level and 60% of estimated State Median Income.

**B. For Weatherization (HEARTWAP) Assistance**

Households up to 60% of estimated State Median Income.

**STATUTORY REFERENCES: 2605(c)(1)(E) ADDITIONAL STEPS**

Please describe any additional steps (other than those described elsewhere in this plan) that will be taken to target assistance to households with high home energy burdens. (This applies to all components. If all steps to target households with high home energy burdens are described elsewhere in the plan, no further information is required here.)

The Massachusetts High Energy Cost Supplement (HECS) program is described elsewhere in the plan.

**STATUTORY REFERENCES: 2605(b)(7) ENERGY SUPPLIERS**

Do you make payments directly to home energy suppliers?

Heating        X   Yes             No

Cooling             Yes             No – N/A

Crisis        X   Yes             No

If Yes, are there exceptions?        X   Yes             No If Yes, please describe.

Massachusetts LIHEAP is primarily a vendor payment program. However, the Commonwealth recognizes that, in some instances, vendor payment for heating assistance may not be feasible.

Payments directly to clients are allowed only in the following instances (unless a written waiver is granted by DHCD):

A) When an eligible tenant's heat is included in rent;

**OR**

B) When a client's vendor refuses to sign the Vendor Agreement to participate in LIHEAP and the client cannot obtain an alternative supplier;

**OR**

C) When a Subgrantee does not have a vendor agreement with the vendor under circumstances approved by DHCD;

**OR**

D) When a client who shares a primary heating system is unable to obtain delivery. (If it is necessary to estimate the cost of the first delivery of the program to such a household, a reasonable estimated payment can be made to the client. The client must provide a paid delivery ticket or invoice as proof of payment of the prior delivery before each subsequent payment may be made. Should a vendor still refuse to deliver, a two-party check to client and vendor may be used as a last resort.);

**OR**

E) When a client shares a heating system with his/her landlord whose oil vendor is not participating in the MOR program and the client pays the landlord for half of each oil delivery;

**OR**

F) When a client shares an oil tank with another person who does not receive LIHEAP benefits.

**STATUTORY REFERENCES: 2605(b)(7)(A) ENERGY SUPPLIERS**

If you make payments directly to home energy suppliers, how do you notify the client of the amount of assistance paid?

The LIHEAP Administrative Guidance requires Subgrantees to notify clients of all payments made on their behalf within specific time frames. Written notification, preferably in the form of a statement containing billing, total value of payments and balances, must be sent to recipients at least once a year upon exhaustion of benefits, or according to an established schedule as stipulated in the Massachusetts LIHEAP Administrative Guidance.

**STATUTORY REFERENCES: 2605(b)(7)(B) & (C) ENERGY SUPPLIERS**

How do you make sure the home energy supplier performs what is required in this assurance? If vendor agreements are used, they may be attached. Indicate each component for which this description applies.

A vendor agreement, required by DHCD and implemented via the Subgrantee, contains assurances as to fair billing practices, delivery procedures, and pricing procedures for business transactions involving LIHEAP recipients. These agreements are subject to monitoring procedures performed by either Subgrantee or DHCD Staff. This Agreement signed by all vendors, states that the vendor shall not discriminate against the certified (LIHEAP) customer in prices or services and provides that the vendor shall make deliveries/supply services in accordance with normal business practice.

The vendor agreement also ensures the supplier shall offer the full range of credit, deferred payment, budget, level payment and other credit plans, which will help minimize the risks of home energy crises and encourage regular payment by LIHEAP recipients. Vendor agreements are attached to this plan.

In addition, the majority of unregulated vendors (Heating Oil dealers) are required to participate in DHCD's MOR pricing program, if they wish to receive vendor payments. The MOR program determines LIHEAP heating oil prices by adding a margin over wholesale Rack prices. This discount effort increases the "purchasing power" of the recipients' cash benefit, thereby helping to alleviate the energy burden of those households.



DHCD shall undertake a review of program policies and contracts to ensure that both Subgrantees and vendors adhere to the program administrative guidelines. DHCD shall continue to work with individual utilities to coordinate enrollment on discount rate programs, eligibility, customer service, automation and other LIHEAP-related matters.

**STATUTORY REFERENCES: 2605(b)(8)(B) OWNERS AND RENTERS**

Is there any difference in the way owners and renters are treated? ☒ Yes ☐ No

If Yes, please describe.

Heating benefits paid to renters are affected by a number of factors, including the following:

1. Type of rental (subsidized vs. non-subsidized).
2. Inclusion of heating in rental payment.
3. Responsibility for heat and/or energy utilities payment.

In an effort to appropriately target benefits to households with the lowest income and highest energy burden, DHCD shall recognize individual rental situations as outlined below for purposes of benefit distribution/eligibility.

**Eligibility of Renters**

Heating benefits paid to renters are affected by a number of factors, including the following:

- Type of rental (subsidized vs. non-subsidized).
- Inclusion of heating costs in monthly rental payments.
- Direct responsibility for heat and/or energy utilities payment.

In an effort to appropriately target benefits to households with the lowest income and highest energy burden, DHCD will recognize individual rental situations as outlined below for purposes of benefit distribution/eligibility. Renters who bear an energy burden in relation to gross LIHEAP income may be eligible for LIHEAP benefits. The benefits paid to renters are affected by the following two factors: (1) Type of rental (subsidized vs. non-subsidized) including cost of heat in rental payment, and (2) responsibility for heat and/or energy utilities payment.

**A. Renters Who Directly Pay a Vendor the Full Cost of Their Heat****1. Full Benefit (*100% of income eligible benefit*)**

Renters not living in subsidized housing who pay a vendor for their heat are eligible for a full benefit paid to the vendor.

**2. Partial Benefit (*approximately 70% of income eligible benefit*)**

Renters with a Federal or State subsidy voucher or living in a subsidized housing unit are eligible for a partial benefit, paid directly to the vendor.

**B. Renters Whose Heating Cost is Included in Rent (*heat included in rent*)****1. Full Benefit (*100% of income eligible benefit*)**

Renters with heat included in rent not living in subsidized housing are eligible for a full benefit. These households can be reimbursed up to 30% of each month's rent. Benefits are accrued incrementally and paid directly to clients.

**2. Partial Benefit (*approximately 70% of income eligible benefit*)**

Renters with a Federal or State subsidy voucher or living in a subsidized housing unit, whose monthly rent is more than 30% of the gross LIHEAP monthly income, are eligible for a partial benefit, paid directly to the client.

**3. No Benefit**

Renters with a Federal or State subsidy or living in a subsidized unit whose monthly rent is 30% or less of the gross LIHEAP monthly income are ineligible for LIHEAP.

Households that reside in subsidized housing with heat included in rent who are ineligible for LIHEAP benefits and pay for their electricity usage may be eligible for the electric utility discount rate if they meet all of the following criteria: 1) the presence of a housing subsidy; 2) the cost of heat is included in the rent; and 3) the tenant pays for electric utilities.

These households shall be determined for income eligibility, and if below 60% of the estimated state median income, shall be included in the discount rate notice sent to the utility.

Even if they become eligible for the electric utility discount, these households shall remain ineligible for LIHEAP benefits. A separate denial notice shall be sent stating that the household is income eligible for the discount rate but ineligible for LIHEAP benefits.

**COOLING ASSISTANCE**

Is there a difference in the way owners and renter are treated? ☐ Yes ☐ No – N/A

**CRISIS ASSISTANCE**

Is there a difference in the way owners and renters are treated? ☐ Yes ☒ No

**WEATHERIZATION**

Is there a difference in the way owners and renters are treated? ☒ Yes ☐ No

All LIHEAP fuel assistance recipients up to 60% of the state median income, are automatically income eligible for benefits under the heating system assistance program, HEARTWAP. However; since the Massachusetts State Sanitary Health Code requires landlords to maintain an operable and safe heating system for their tenants, HEARTWAP places some restrictions on tenant services. LIHEAP eligible tenants with LIHEAP eligible landlords are eligible for the full array of HEARTWAP services. Tenants receiving weatherization are ensured of receiving those benefits through a comprehensive tenant/landlord agreement. All households, regardless of ownership status, are eligible for referral to WAP and a variety of utility funded conservation programs and receive the benefits of those programs.

**STATUTORY REFERENCES: 2605(b)(10) PROGRAM AND FISCAL MONITORING AND AUDIT**

How do you ensure good fiscal accounting and tracking of LIHEAP funds?

The State's MMARS system tracks the receipt of LIHEAP revenue and payments to Subgrantees. This is reconciled monthly. Subgrantees submit financial status reports with every drawdown requested as well as quarterly reports. This information is reviewed and reconciled. On-site fiscal monitoring is conducted in conjunction with program monitoring. A standard monitoring checklist is used to guide the testing of revenue, expenditures, and internal controls at the subgrantee level.

How do you monitor program activities?

The DCS Fiscal and Compliance Unit (FCU) and Community Services Unit (CSU) respectively perform fiscal and program monitoring on an annual basis. DCS shall continue to review/modify program monitoring procedures to ensure compliance with all state and federal laws, regulations, and DHCD LIHEAP Administrative Guidance and operating procedures.

In addition to the regular program assessments, DHCD often conducts post-audit reviews as a component of its monitoring system. The post-audit review is designed to address eligibility, accountability and policy issues, and to ensure compliance with administrative guidelines.

CSU program monitoring includes, but is not limited to, inspecting and reviewing client records, administrative procedures and expenditures, vendor payments, requests for disbursement of funds, and other LIHEAP program-related activities. Written reports shall be filed documenting the results or findings of each visit. The visits and reports shall state results of compliance reviews, outline operational strengths, identify observed weaknesses, and, as appropriate, note required corrective actions and timeframes for implementation. In order to make the monitoring of LIHEAP Subgrantees more streamlined and efficient, CSU initially identified nine (9) agencies to participate in a pilot performance monitoring process in FY 2009. Additional Subgrantees, especially the ones that participated in an onsite assessment in FY 2009, were preselected for desk reviews in FY 2010. Unlike a regular on-site monitoring, these agencies' performance was monitored by remotely accessing client databases from DHCD. CSU will continue to conduct remote desk review of a preselected group of Subgrantee agencies in FY 2011.

DHCD shall work closely with Subgrantee agency planners, LIHEAP directors, and/or other staff to develop a LIHEAP work plan for the upcoming fiscal year. After DHCD's approval, the work plan document will be incorporated into the Fiscal Year 2011 LIHEAP contract. Besides proposed activities, the work plan shall include Fiscal Year 2011 LIHEAP proposed Outcome Measures. During the program year, each LIHEAP grantee shall be required to submit an annual program progress report based on their work plan. During on site monitoring, DCS shall monitor progress toward meeting each LIHEAP agency's work plan goals.

In the event suspension or termination of any agency's services is required, the grant agreement with the LAA delineates the specific suspension and termination procedures to be followed.

How is your LIHEAP program audited? Under the Single Audit Act? ☒ Yes ☐ No

DHCD complies with the Single Audit Act requirements and is audited annually on its expenditures of amounts received under this Title to carry out the purposes of LIHEAP. DHCD submits an annual financial status report on how LIHEAP funds are used. In addition, Subgrantees are required annually to submit the OMB Circular A-133 audit.

Is there an annual audit of local administering agencies? ☒ Yes ☐ No If not, please explain.

Massachusetts has a financial system appropriate to safeguard federal funds and requires the Subgrantees to submit certified audit reports.

**STATUTORY REFERENCES: 2605(b)(12) TIMELY AND MEANINGFUL PUBLIC PARTICIPATION AND PUBLIC HEARINGS**

How did you get timely and meaningful public participation in the development of the plan?

In an effort to maintain opportunities for on-going dialogue and feedback concerning the impact of program modifications, DHCD continues to work with a LIHEAP Advisory Group. Proposed modifications to the Fiscal Year 2011 LIHEAP were presented to the Advisory Group. The Advisory Group is comprised of representatives from the LIHEAP provider agency network, community action trade association, consumer legal and elderly advocacy and DHCD. Work with the Advisory Group

has proven to be productive and invaluable in providing constructive suggestions and support. As a result, the Group will continue to serve in an advisory capacity. In addition, the Energy Policy Advisory Group will continue to provide input and direction during Fiscal Year 2011 for LIHEAP weatherization program.

**STATUTORY REFERENCES: 2605(a)(2) PUBLIC HEARINGS**

Did you conduct public hearings on the proposed use and distribution of your LIHEAP funds? When and where? X Yes \_\_\_ No

As part of its overall public review process, the proposed State Plan was released in June to Subgrantees/provider agencies, Massachusetts Energy Directors Association, and other interested parties. To ensure meaningful public participation in the development of the Plan, DHCD conducted a preliminary hearing on **June 29, 2010** at DHCD to discuss proposed modifications to LIHEAP.

A formal Public Hearing was held on **July 15, 2010** at DHCD during which both oral and written comments were received and recorded via transcript. Notice of the public hearing was advertised in newspapers across Massachusetts and sent to interested parties and a copy of this State Plan remained posted on DHCD's website for at least 30 days. All comments made throughout the review process are considered in completing the document.

**STATUTORY REFERENCES: 2605(b)(13) FAIR HEARINGS**

Describe your fair hearing procedures for households whose applications are denied or not acted on in a timely manner. When are applicants informed of these rights?

Massachusetts requires an LAA to notify all applicants/clients of their right to appeal specific LAA decisions in the heating assistance/crisis assistance and energy conservation programs. Notification of these rights must be given:

1. When the applicant/client first applies for assistance (in the printed statement on the application);
2. When an LAA provides an applicant/client with a notice of either eligibility or ineligibility; and
3. When an LAA issues a final decision of denial on an appeal.

The appeals process requires applicants/clients initially to appeal to the LAA, and offers the opportunity to appeal to DHCD, if the applicant/client is not satisfied with the decision issued by the LAA. Appeals must be made to the LAA, on a form provided by the LAA, within twenty (20) working days of receipt of any notice of eligibility or ineligibility. Applicants/clients can also request an appeal, on a form provided by the LAA, if they have not been notified of their application status within forty (40) days of the date of application.

The LAA will convene an informal, face-to-face hearing with an applicant/client when an applicant/client requests such a hearing, or when the LAA deems such a hearing to be necessary.

Within twenty (20) working days of receiving an appeal, the LAA must:

1. Schedule a hearing if a hearing has been requested by the applicant/client or has been deemed necessary by the LAA. Notice establishing the date, time and location of the hearing shall be sent to the applicant/client or the applicant/client's representative.
2. In all other cases,
  - a. Review and reconsider the applicant's/client's application, including the possibility of obtaining additional income or other documentation;
  - b. Reach a decision on the case; and
  - c. Notify the applicant/client of the final decision in writing, along with notice of the applicant's/client's right to and procedures for appeal to DHCD.

Within ten (10) working days of a hearing, the LAA shall

1. Reach a decision on the case; and
2. Notify the applicant/client of the final decision in writing, along with notice of the applicant/client's right to and procedures for appeal to DHCD.

Appeals to DHCD of LAA decisions will be handled by DHCD's Appeals Officer. Applicants/clients must appeal, in writing, to DHCD within 20 working days of the final LAA decision that includes the notice of appeal rights. The Appeals Officer will review all applicant/client files and information pertinent to the appeal, and will notify the applicant/client and the LAA of the decision in writing (within 20 working days of receipt of the appeal). This decision will include notification to the applicant/client of the right to seek and the time for seeking judicial review of DHCD's decision.

The timeframe for filing appeals is:

Appeals to Local Administering Agency - November 1, 2010 to June 24, 2011

Appeal to DHCD of an LAA Decision - November 1, 2010 to August 26, 2011

### Denials

Denied applications are afforded appeal rights expect for in the following circumstance.

### Applications Not Acted On In a Timely Manner

Applicants shall have approximately a maximum of 30 days after the end of each year's heating season to complete an incomplete application. Applications that remain incomplete due to an applicant's inability to provide eligibility documentation shall be denied. Such denied applications may not be processed through the Appeal process.

### **STATUTORY REFERENCES: 2605(b)(15) ALTERNATIVE OUTREACH AND INTAKE**

**For States and Puerto Rico only** (not applicable to Tribes and tribal organizations, or to territories whose annual regular LIHEAP allotments are \$200,000 or less):

Does the State agency that administers the following LIHEAP component also administer the State's welfare program?

**HEATING ASSISTANCE**

       Yes   X   No If Yes, describe alternate process for outreach and intake:

**COOLING ASSISTANCE**

       Yes   X   No If Yes, describe alternate process for outreach and intake:

**CRISIS ASSISTANCE**

       Yes   X   No If Yes, describe alternate process for outreach and intake:

**STATUTORY REFERENCES: 2605(b)(16) REDUCTION OF HOME ENERGY NEEDS**

Do you use LIHEAP funds to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance?

  X   Yes        No, If Yes, please describe these activities.

- Needs assessment (including consumption data collection),
- Counseling,
- Assistance with energy vendors (shut offs, arrearages management, budget plans)
- FastTrack emergency service, and
- Referral to energy conservation services including utility conservation programs

If Yes, how do you ensure that you don't use more than 5% (statutory ceiling) of your LIHEAP funds for these activities?

It is included in each agency's budget allocation.

**VIII. LEVERAGING ACTIVITIES****STATUTORY REFERENCES: 2607A LEVERAGING**

Please describe leveraging activities planned for the fiscal year. Leveraged resources/benefits that are counted under criterion (iii) in 45 CFR 96.87(d)(2) must be identified and described in the grantee's LIHEAP plan and distributed as indicated in the plan. In addition, leveraging resources/benefits that are counted under criterion (ii) must be carried out under one or more components of the grantee's regular LIHEAP program.

Complete this entry if you plan to apply for LIHEAP leveraging incentive funds and to include in your leveraging report resources/benefits provided to low-income households this fiscal year under criterion (iii) in 45 CFR 96.87(d)(2). Provide the following information for each:

1. Identify Year and describe each resource/benefit;
2. Identify Year the source(s) of each resource; and
3. Describe the integration/coordination of each resource/benefit with the LIHEAP program, consistent with 1 or more of conditions A-H in 45 CFR 96.87(d)(2)(iii).

DHCD has identified and/or developed a wide range of non-federal resources that will supplement energy benefits for low-income households. These benefits are offered in the form of savings, discounts, and direct cash assistance.

Although income eligibility for these programs may vary, all participating households would qualify under federal income guidelines for LIHEAP. The following are brief descriptions of the primary resources that are integrated into the LIHEAP program, directly or indirectly:

1. Margin-Over-Rack and CAI Oil Discount Programs

The State LIHEAP Program developed the MOR program to provide home energy discounts through establishment of a maximum per gallon price for heating oil for all LIHEAP households. The DHCD LIHEAP personnel calculate the weekly maximum price based on average terminal prices and issues it to the local Subgrantee agencies operating the MOR program.

Oil vendors are required by contract to submit delivery tickets with their current retail price. This information is entered into each Subgrantee's database. The software programs used by Subgrantee agencies are designed to compare the retail price of oil and the MOR price for the date of delivery. The lesser of the two is paid to the vendor. The difference between the two is considered the savings generated. Both prices are maintained in the database for reporting purposes. Subgrantee agencies provide the state LIHEAP office with a quarterly report detailing the amount of gallons delivered to households, the actual retail price for the oil delivered, the MOR price paid for the deliveries, and the difference or savings by vendor.

In eleven (11) cities and towns in Northeastern Massachusetts, home energy discounts are achieved through a competitive bidding process for oil deliveries to LIHEAP households. Successful bidders agree to make delivery to LIHEAP households based on a set margin above the average wholesale price of oil. Similar to the MOR program, Community Action, Inc. (CAI) calculates the weekly bid price from daily average terminal prices. There is a similar process for kerosene in six (6) cities and towns served by CAI where kerosene is widely used.

Clients are not required to accept delivery from a participating "bid vendor". If they choose to take delivery from another vendor, benefits are paid directly to the client based on the Bid Price regardless of the price charged by the vendor. Pricing information from these vendors is maintained on file.

The savings are calculated by comparing the average retail price per gallon with the average bid price per gallon to achieve an average savings per gallon. This figure is then multiplied by the number of gallons delivered by the vendor to arrive at a savings figure by vendor. The bid vendor savings are calculated by taking the difference between the average bid price per gallon and the average retail price per gallon and multiplying by the number of gallons delivered by each bid vendor.



## 2. Low-Income Utility Discount Rates

DHCD supports a low-income utility discount rate for LIHEAP clients and other targeted low-income groups.

The major gas and electric utilities in Massachusetts offer lower rates to public assistance, fuel assistance, and/or other limited income households. All households eligible for the discount are eligible under the federal standards set by section 2605(b)(2) of Public Law 97-35 (42 USC 8624(b)(2)). DHCD and the local fuel assistance network have been instrumental in the introduction of these rates via negotiation/participation in DTE proceedings as well as advocating with individual utilities. The network also plays a large part in the enrollment and certification of fuel assistance households to receive benefits for utility discount rates. In Fiscal Year 2009, the amount of available utility discounts exceeded \$68.43 million.

## 3. Local/Statewide Fuel Funds

Non-federal funding resources are made available to fuel assistance and other limited income households to offset energy bills. Payments are made directly to vendors on behalf of the eligible households for payment of fuel bills. Many local funds solicit private, non-federal resources on an annual basis. Local fuel funds are managed by LIHEAP Subgrantees in a similar manner. These programs serve households who are in need of additional assistance beyond their LIHEAP benefit and households at or below 200% of the poverty level, which is lower than 60% of the State's median income.

## 4. Combined Fuel Funds

Many LIHEAP provider agencies have developed combined fuel funds to assist those customers who exhaust their regular LIHEAP benefit. Subgrantees such as Community Action, Inc. (CAI), Valley Opportunity Council, Inc. (VOC); South Shore Community Action Council, Inc. (SSCAC); Worcester Community Action Council, Inc. (WCAC); Self-Help, Inc. (SHI); Community Teamwork, Inc. (CTI); Citizens for Citizens, Inc. (CFC); New England Farm Workers Council, Inc. (NEFWC); Quincy Community Action Programs, Inc. (QCAP); Lynn Economic Opportunity Council, Inc., (LEO), Action, Inc. (Action); Community Action for Franklin, Hampshire and North Quabbin Region, Inc.; (CA), Greater Lawrence Community Action Council, Inc. (GLCAC); and Tri-City Community Action Program, Inc. (TRI-CAP); all reported different types of local funds from sources such as Massachusetts Association for Community Action, Citizens Oil, CAA fundraising, private foundation and corporate donations.

## 5. United Way Special Fund

Another resource comes from the Special Fund operated by the United Way of Massachusetts Bay. Allotted funds can assist households with energy emergencies in the form of oil deliveries or utility payments. There was no income restrictions in place during Fiscal Year 2010; however, households at or below 60% of the State's median income were served through LIHEAP Subgrantees as LIHEAP benefit dollars were not sufficient to meet their home energy needs. The referrals are made by the 21 LIHEAP Subgrantee agencies. A few of those agencies also operated the program locally.

## 6. Weatherization Support

DHCD will also count resources contributed to weatherization and energy conservation programs as a supplement to DOE/LIHEAP efforts. These include in-kind contributions and funding from utility companies, property owners and contractors. The resource is available throughout the State and operated through the Subgrantee agencies operating the LIHEAP/WAP programs. The eligibility level for households is 60% of the estimated State Median Income for electric and gas utilities. In addition, resources were contributed by Low-Income Energy Efficiency programs, Massachusetts Technology Collaborative (MTC) Renewable Energy Trust Fund. Supported activities include comprehensive building shell and heating system related residential energy efficiency measures including, attic and sidewall insulation, blower door guided air sealing, health and safety measures and heating system replacements.

## 7. State Supplemental Funding

During Fiscal Year 2010, the Massachusetts legislature did not allocate any state LIHEAP funds. DHCD is not expecting to receive a state LIHEAP funding in Fiscal Year 2011, unless authorized by the Massachusetts General Courts as a supplemental budget line item in its Fiscal Year 2011 final budget.

**IX. PERFORMANCE GOALS AND MEASURES****STATUTORY REFERENCES: 2605(b) PERFORMANCE GOALS AND MEASURES**

Please describe performance goals and measures planned for the fiscal year. **(This entry is optional.)**

DHCD considers itself an early adopter of LIHEAP Performance Measures. For the past several fiscal years, DHCD in cooperation with its Subgrantees, has been utilizing the following performance goals and measures to measure the impact of LIHEAP on the low-income Massachusetts residents. Combined with workplan activities, at the beginning of the LIHEAP program year, each Subgrantee agency plans their goals and measures in three distinct but interlinked areas: (1) direct services; (2) outreach; and (3) agency capacity. In October of each year, Subgrantees submit a program progress report outlining actual activities conducted and results attained for each performance goal and measure.

Although these performance goals are meant to measure the outputs and certain short-term outcomes of LIHEAP, DHCD is currently working with the Performance Measure Implementation Work Group tasked to develop an implementation process and identify resources for states. Being at the forefront of this initiative, DHCD should be able to adjust its current performance measuring system and begin reporting on LIHEAP Performance Goals jointly developed by the National Energy Assistance Directors Association (NEADA) and the U.S. Department of Health and Human Services.

**GOAL A - LOW-INCOME PEOPLE, ESPECIALLY VULNERABLE POPULATIONS, ACHIEVE THEIR POTENTIAL BY STRENGTHENING FAMILY AND OTHER SUPPORTIVE SYSTEMS****Outcome Measures**

- The number of low-income individuals or families served by Community Action that sought emergency assistance and the % of those households for which assistance was provided including LIHEAP (National Indicator – 6.2).
- Number of vulnerable population<sup>[1]</sup> showing improvement as a result of receiving LIHEAP assistance or benefit.
- Number of clients showing improvement<sup>[2]</sup> as a result of emergency services received.
- Number of households<sup>[3]</sup> in crisis whose emergency needs are ameliorated due to LIHEAP assistance or benefit.
- Number of high consumption households realizing a reduction in energy burden<sup>[4]</sup> as a result of receiving LIHEAP assistance or benefit.
- Number of households<sup>[5]</sup> for which LIHEAP assistance avoids a loss of energy service.

- Number of LIHEAP recipients making regular payments to energy suppliers as a result of financial counseling.
- Number of Housing Assistance Program (HAP) clients who are prevented from becoming homeless<sup>[6]</sup>.
- Number of Housing Assistance Program (HAP) clients who maintain housing for more than six months<sup>[7]</sup>.
- Number of LIHEAP recipient households who received low/no cost energy related home repair through WAP and/or HEARTWAP programs<sup>[8]</sup>.
- Number of clients whose energy burden was reduced due to LIHEAP in combination with other energy resources, e.g., utility discounts.
- Number of LIHEAP households who completed financial assistance/counseling sessions.

**GOAL B - THE CONDITIONS IN WHICH LOW-INCOME PEOPLE LIVE ARE IMPROVED**  
**Outcome Measures**

- An increase in targeting LIHEAP recipient households having at least one member 60 years or older compared to non-vulnerable LIHEAP recipient households.
- An increase in targeting LIHEAP recipient households having at least one member 5 years or under compared to non-vulnerable LIHEAP recipient households.
- An increase in targeting LIHEAP recipient households having at least one member who is disabled compared to non-vulnerable LIHEAP recipient households.
- Number of LIHEAP agencies where customers served accurately represents the ethnic diversity of the service territory.
- Number of new intake or volunteer sites opened that resulted in an increase in access for potential LIHEAP eligible households.
- Number of potential LIHEAP applicants who have increased access to energy services due to operation of a new intake or volunteer site.
- Number of new partnerships<sup>[9]</sup> developed with other service providers to increase access to energy services.
- Number of partnerships maintained with other public and private entities to increase/maintain energy services.

**GOAL C – AGENCIES INCREASE THEIR CAPACITY****Outcome Measures**

- Number of wage matching completed for LIHEAP clients as compared to the previous fiscal year.
- Total number of LIHEAP applicants whose status was determined prior to the beginning of the program year.
- An increase in the total dollar value of non-LIHEAP energy assistance resources.
- Increase in proportion of federal funds allocated for meeting emergency and long-term needs of the low-income population.
- Amount of energy-related investment<sup>[10]</sup> brought into the community by the network and targeted to low-income people.
- Number of households who are referred to non-LIHEAP energy-related programs.<sup>[11]</sup>

<sup>[1]</sup> Households with at-least one elderly member and/or with children under 5 years of age and disabled.

<sup>[2]</sup> Health and safety and other energy-related adverse condition.

<sup>[3]</sup> Can be used for all LIHEAP clients.

<sup>[4]</sup> Energy Burden is defined as home energy expenditures divided by income.

<sup>[5]</sup> For LIHEAP emergency clients.

<sup>[6]</sup> For in-house Housing Assistance Program (HAP).

<sup>[7]</sup> For in-house Housing Assistance Program (HAP).

<sup>[8]</sup> For in-house WAP and HEARTWAP programs.

<sup>[9]</sup> As evidenced by verbal or written agreements, Memorandum of Understanding, contracts, etc.

<sup>[10]</sup> Funds from local banks, Fuel Funds, local government, etc.

<sup>[11]</sup> Salvation Army, Joe-for-Oil, FEMA, United Way, etc.

**X. SUPPLEMENTAL SECTION – Program Integrity Assessment Supplement (see Attachment 1)**

## **ADDITIONAL CERTIFICATIONS AND REQUIREMENTS**

Attached are additional certifications required as follows:

- Lobbying Certification
- Debarment and Suspension Certification.
- Drug-free Workplace Requirement Certification
- HHS LIHEAP Household Report (See the Attachment section)
- LIHEAP Carryover and Reallotment Report, Submitted by August 1, 2010.

**Certification Regarding Lobbying**

No federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all Subrecipients shall certify and disclose accordingly.

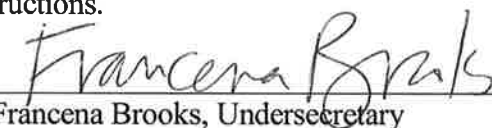
This certification is a material representative of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31 U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

**Statement for Loan Guarantees and Loan Insurance:**

The undersigned states, to the best of his or her knowledge and belief, that:

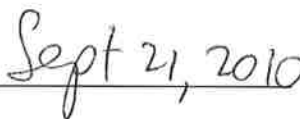
If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form LLL "Disclosure Forms to Report Lobbying," in accordance with its instructions.

Signature: \_\_\_\_\_



Francena Brooks, Undersecretary

Date: \_\_\_\_\_



Massachusetts Department of Housing and Community Development

**Certification Regarding Debarment, Suspension, and Other Responsibility Matters Primary Covered Transactions**

The Commonwealth of Massachusetts, by signing and submitting this LIHEAP State Plan and Application, certifies to the federal government that it agrees to comply with the assurances set out below:

- (a) The inability of a person to provide the certification required below will not necessarily result in denial of participation in the covered transaction. If necessary, the Commonwealth of Massachusetts shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with HHS's determination whether to enter into the transaction. However, a failure of the Commonwealth of Massachusetts to furnish a certification or explanation shall disqualify Year such person from participation in the transaction.
- (b) The certification in this clause is a material representation of fact upon which reliance was placed when HHS determined that the Commonwealth of Massachusetts knowingly rendered an erroneous certification, in addition to other remedies available to federal government, HHS may terminate this transaction for cause or default.
- (c) The Commonwealth of Massachusetts shall provide immediate written notice to the HHS agency to which this Plan is submitted if at any time the Commonwealth of Massachusetts learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
- (d) The terms "covered transaction," "debarred," "suspended," "ineligible," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549 at 45 CFR Part 76.
- (e) The Commonwealth of Massachusetts agrees by submitting this Plan that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by HHS.
- (f) The Commonwealth of Massachusetts further agrees by submitting this Plan that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by HHS without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- (g) A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Non-procurement List (of excluded parties).



- (h) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
  - (i) Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the federal government, HHS may terminate this transaction for cause or default.
- (1) The Commonwealth of Massachusetts certifies to the best of its knowledge and belief, that it and its principals:
- (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
  - (b) have not within a 3-year period preceding this Plan been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
  - (c) are not presently indicted or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in paragraph (1) (b) of this certification; and
  - (d) have not within a 3-year period preceding this Plan had one or more public transactions (federal, state or local) terminated for cause or default.
- (2) Where the Commonwealth of Massachusetts is unable to certify to any of the statements in this certification, the Commonwealth of Massachusetts shall attach an explanation to this Plan.

**Drug-Free Workplace Act Certification**

The Commonwealth of Massachusetts, by submitting this LIHEAP State Plan and Application, is providing the certification set out below which requires, by regulations, the implementation of the Drug-Free Workplace Act of 1988, 45 CFR Par 76, Subpart F. The regulations, published in the May 25, 1990 Federal Register, require certification by grantees that they will maintain a drug-free workplace. The certification set out below is a material of fact upon which reliance will be placed when the U.S. Department of Health and Human Services (HHS) determines to award the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirement of the Drug-Free Workplace Act, HHS, in addition to any other remedies available to the federal government, may take action authorized under the Drug-Free Workplace Act. False certifications shall be grounds for suspension of payments, suspension or termination of grants, or government-wide suspension or debarment.

Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, once workplaces are identified, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for federal inspection. Failure to identify Year all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.

Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or state highway department while in operation, state employees in each local unemployment office, performers in concerts hall or radio studios).

If the workplace identified to HHS changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in questions (see above).

Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

"Controlled substance" means a controlled substance in Schedule I through V of the Controlled Substance Act (21 USC. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15).

"Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the federal or state criminal drug statutes;

"Criminal drug statute" means a Federal or non-federal or state criminal drug statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

"Employee" means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All "direct charge" employees; (ii) temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of Subrecipients of subcontractors in covered workplaces).

The Commonwealth of Massachusetts certifies that it will or will continue to provide a drug-free workplace by:

- (a) publishing a statement notify employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the grantee's workplace and specify that actions that will be taken against employees for violation of such prohibition;
- (b) establishing an on-going drug-free awareness program to inform grantees about:
  - (1) the dangers of drug abuse in the workplace;
  - (2) the state's policy for maintaining a drug-free workplace;
  - (3) any available drug counseling, rehabilitation, and employee assistance programs; and
  - (4) the penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- (c) making it a requirement that employees to be engaged in the performance of the grant be given a copy of the statement required by subparagraph (a);
- (d) Notify the employee and grantee in the statement required by subparagraph (a) that, as a condition of employment under the grant, the employee will:
  - (1) abide by the terms of the statement; and
  - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five (5) calendar days after such conviction;
- (e) Notify the agency in writing, within ten (10) calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- (f) taking one of the following actions within thirty (30) calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is convicted:

- (1) taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
- (2) requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency;
- (g) making a good faith effort to continue to maintain a drug-free workplace through the implementation of paragraphs (a), (b), (c), (d), (e), and (f).

Signature: Francena Brooks Date: Aug 31, 2010  
Francena Brooks, Undersecretary  
Massachusetts Department of Housing and Community Development

Grant Number: CFDA # 93.568

## **ATTACHMENTS**

1. FY 2011 LIHEAP Program Integrity Assessment Supplement
2. LIHEAP Subgrantee Service Area Coverage by Local Administrating Agency
3. Fiscal Year 2011 LIHEAP Maximum Income Eligibility Chart
4. Certifications (contained within the body of this State Plan)
5. Preliminary Fiscal Year 2010 Household Report
6. LIHEAP Vendor Agreements
7. Notice of Public Hearing

## **ATTACHMENT 2**

### **FY 2011 LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP) SERVICE AREA COVERAGE BY LOCAL ADMINISTERING AGENCY**

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#### **ACTION, INC.:**

Essex, Gloucester, Hamilton, Ipswich, Manchester, Rockport, Wenham

#### **ACTION FOR BOSTON COMMUNITY DEVELOPMENT, INC.:**

Boston, Brookline, Newton

#### **BERKSHIRE COMMUNITY ACTION COUNCIL, INC.:**

Adams, Alford, Becket, Cheshire, Clarksburg, Dalton, Egremont, Florida, Great Barrington, Hancock, Hindsdale, Lanesborough, Lee, Lenox, Monterey, Mt. Washington, New Ashford, New Marlborough, North Adams, Otis, Peru, Pittsfield, Richmond, Sandisfield, Savoy, Sheffield, Stockbridge, Tyringham, Washington, West Stockbridge, Williamstown, Windsor.

#### **COMMUNITY ACTION, INC.:**

Amesbury, Boxford, Georgetown, Groveland, Haverhill, Merrimack, Newbury, Newburyport, Rowley, Salisbury, West Newbury

#### **COMMUNITY ACTION PROGRAM INTER-CITY, INC.:**

Chelsea, Revere, Winthrop

#### **CITY OF CAMBRIDGE DEPARTMENT OF HUMAN SERVICES:**

Cambridge, Somerville

#### **CITIZENS FOR CITIZENS, INC.:**

Berkley, Dighton, Fall River, Freetown, Lakeville, Rehoboth, Seekonk, Somerset, Swansea, Taunton, Westport

#### **COMMUNITY TEAMWORK, INC.:**

Arlington, Bedford, Belmont, Billerica, Burlington, Carlisle, Chelmsford, Dracut, Dunstable, Groton, Lexington, Lowell, Pepperell, Tewksbury, Tyngsborough, Waltham, Watertown, Westford, Wilmington

## **ATTACHMENT 2**

### **FY 2011 LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP) SERVICE AREA COVERAGE BY LOCAL ADMINISTERING AGENCY**

#### **COMMUNITY ACTION OF THE FRANKLIN, HAMPSHIRE, AND NORTH QUABBIN REGIONS, INC.:**

Amherst, Ashfield, Belchertown, Bernardston, Buckland, Charlemont, Chesterfield, Colrain, Conway, Cummington, Deerfield, Easthampton, Erving, Gill, Goshen, Granby, Greenfield, Hadley, Hatfield, Hawley, Heath, Huntington, Leverett, Leyden, Middlefield, Monroe, Montague, New Salem, Northampton, Northfield, Orange, Pelham, Plainfield, Rowe, Shelburne, Shutesbury, South Hadley, Southampton, Sunderland, Ware, Warwick, Wendell, Westhampton, Williamsburg, Worthington, Whately.

#### **GREATER LAWRENCE COMMUNITY ACTION COUNCIL, INC.:**

Andover, Lawrence, Methuen, North Andover, North Reading, Reading

#### **LYNN ECONOMIC OPPORTUNITY, INC.:**

Lynn, Lynnfield, Nahant, Saugus, Swampscott, Wakefield

#### **NEW ENGLAND FARM WORKERS' COUNCIL, INC. (SPRINGFIELD):**

**Western Service Area:** Springfield

#### **NEW ENGLAND FARM WORKERS' COUNCIL, INC. (FITCHBURG):**

**North Central Service Area:** Ashburnham, Ashby, Athol, Ayer, Barre, Berlin, Bolton, Clinton, Fitchburg, Gardner, Hardwick, Harvard, Hubbardston, Lancaster, Leominster, Lunenburg, New Braintree, Petersham, Phillipston, Princeton, Royalston, Shirley, Sterling, Templeton, Townsend, Westminster, Winchendon

#### **NORTH SHORE COMMUNITY ACTION PROGRAMS, INC.:**

Beverly, Danvers, Marblehead, Middleton, Peabody, Salem, Topsfield

#### **PEOPLE ACTING IN COMMUNITY ENDEAVORS, INC.:**

Acushnet, Dartmouth, Fairhaven, Marion, Mattapoisett, New Bedford, Rochester

#### **QUINCY COMMUNITY ACTION PROGRAM, INC.:**

Braintree, Milton, Quincy, Weymouth

## **ATTACHMENT 2**

### **FY 2011 LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP) SERVICE AREA COVERAGE BY LOCAL ADMINISTERING AGENCY**

#### **SELF-HELP, INC.:**

Abington, Attleboro, Avon, Bridgewater, Brockton, Canton, Dedham, East Bridgewater, Easton, Foxborough, Franklin, Hanson, Holbrook, Mansfield, Norfolk, North Attleboro, Needham, Norton, Norwood, Plainville, Randolph, Raynham, Rockland, Sharon, Stoughton, Walpole, West Bridgewater, Westwood, Whitman, Wrentham

#### **SOUTH MIDDLESEX OPPORTUNITY COUNCIL, INC.:**

Acton, Ashland, Blackstone, Bellingham, Boxborough, Concord, Dover, Framingham, Grafton, Holliston, Hopedale, Hopkinton, Hudson, Lincoln, Littleton, Marlborough, Maynard, Medfield, Medway, Mendon, Milford, Millis, Millville, Natick, Northborough, Northbridge, Sherborn, Shrewsbury, Southborough, Stow, Sudbury, Wayland, Wellesley, Westborough, Weston, Upton, Uxbridge

#### **SOUTH SHORE COMMUNITY ACTION COUNCIL, INC.:**

Barnstable, Bourne, Brewster, Carver, Chatham, Chilmark, Cohasset, Dennis, Duxbury, Eastham, Edgartown, Falmouth, Gay Head, Gosnold, Halifax, Hanover, Harwich, Hingham, Hull, Kingston, Marshfield, Mashpee, Middleborough, Nantucket, Norwell, Oak Bluffs, Orleans, Pembroke, Plymouth, Plympton, Provincetown, Sandwich, Scituate, Tisbury, Truro, Wareham, Wellfleet, West Tisbury, Yarmouth

#### **TRI-CITY COMMUNITY ACTION COUNCIL, INC.:**

Everett, Malden, Medford, Melrose, Stoneham, Winchester, Woburn

#### **VALLEY OPPORTUNITY COUNCIL, INC.:**

Agawam, Blandford, Brimfield, Chester, Chicopee, East Longmeadow, Granville, Hampden, Holland, Holyoke, Longmeadow, Ludlow, Monson, Montgomery, Palmer, Russell, Southwick, Tolland, Wales, Westfield, West Springfield, Wilbraham

#### **WORCESTER COMMUNITY ACTION COUNCIL, INC.:**

Auburn, Boylston, Brookfield, Charlton, Douglas, Dudley, East Brookfield, Holden, Leicester, Millbury, North Brookfield, Oakham, Oxford, Paxton, Rutland, Southbridge, Spencer, Sturbridge, Sutton, Warren, Webster, West Boylston, West Brookfield, Worcester



**Fiscal Year 2011**  
**Low Income Home Energy Assistance Program (LIHEAP)**  
**Income Eligibility and Benefit Level Chart**

<b>Family Size (# of people in the household)</b>	<b>100% of Federal Poverty Level</b>	<b>125% of Federal Poverty Level</b>	<b>150% of Federal Poverty Level</b>	<b>175% of Federal Poverty Level</b>	<b>200% of Federal Poverty Level</b>	<b>60% of Estimated State Median Income</b>
1	\$ 10,830	\$ 13,538	\$ 16,245	\$ 18,953	\$ 21,660	\$ 30,751
2	\$ 14,570	\$ 18,213	\$ 21,855	\$ 25,498	\$ 29,140	\$ 40,213
3	\$ 18,310	\$ 22,888	\$ 27,465	\$ 32,043	\$ 36,620	\$ 49,675
4	\$ 22,050	\$ 27,563	\$ 33,075	\$ 38,588	\$ 44,100	\$ 59,137
5	\$ 25,790	\$ 32,238	\$ 38,685	\$ 45,133	\$ 51,580	\$ 68,598
6	\$ 29,530	\$ 36,913	\$ 44,295	\$ 51,678	\$ 59,060	\$ 78,060
7	\$ 33,270	\$ 41,588	\$ 49,905	\$ 58,223	\$ 66,540	\$ 79,835
8	\$ 37,010	\$ 46,263	\$ 55,515	\$ 64,768	\$ 74,020	\$ 81,609
9	\$ 40,750	\$ 50,938	\$ 61,125	\$ 71,313	\$ 81,500	\$ 83,383
10	\$ 44,490	\$ 55,613	\$ 66,735	\$ 77,858	\$ 85,157	\$ 85,157
11	\$ 48,230	\$ 60,288	\$ 72,345	\$ 84,403	\$ 86,931	\$ 86,931
12	\$ 51,970	\$ 64,963	\$ 77,955	\$ 88,706	\$ 88,706	\$ 88,706
13	\$ 55,710	\$ 69,638	\$ 83,565	\$ 90,480	\$ 90,480	\$ 90,480
14	\$ 59,450	\$ 74,313	\$ 89,175	\$ 92,254	\$ 92,254	\$ 92,254
15	\$ 63,190	\$ 78,988	\$ 94,028	\$ 94,028	\$ 94,028	\$ 94,028
16	\$ 66,930	\$ 83,663	\$ 95,802	\$ 95,802	\$ 95,802	\$ 95,802
17	\$ 70,670	\$ 88,338	\$ 97,576	\$ 97,576	\$ 97,576	\$ 97,576
Homeowners and Non-subsidized Housing Tenants	\$ 515	\$ 455	\$ 400	\$ 350	\$ 350	\$ 310
Subsidized Housing Tenants	\$ 360	\$ 320	\$ 280	\$ 245	\$ 245	\$ 215
High Energy Cost Supplement (HECS)	\$ 75	\$ 70	\$ 65	\$ 60	\$ 60	\$ 55

<b>Heating Type</b>	<b>HECS Thresholds</b>
Heating Oil	\$ 1,560
Natural Gas	\$ 1,050
Electricity	\$ 1,350
Other	\$ 1,260

Sources: Federal Register, May 12, 2010 (Volume 75, Number 91) and January 23, 2009 (Volume 74, Number 14)

OMB Control No. 0970-0060

**LHIEAP Household Report--Federal Fiscal Year 2009--Long Format**

Expiration Date: Pending

Grantee Name: COMMONWEALTH OF MASSACHUSETTS

Contact Person AKM RAHMAN

Phone: (617) 573 - 1413

Date: 8/4/2010

The LHIEAP Household Report--Long Format is for use by the 50 States, District of Columbia, and insular areas with annual LHIEAP allotments of \$200,000 or more. This Federal Report provides data on both recipient and applicant households for Federal Fiscal Year (FFY) 2008, the period of October 1, 2007 - September 30, 2008. The Report consists of the following sections: (1) **Recommended Long Format of Assisted Households** and (2) **Recommended Format for LHIEAP Applicant Households**. Data on assisted households are included in the Department's annual LHIEAP Report to Congress. The data are measuring targeting performance under the Government Performance and Results Act of 1993. As the reported data are aggregated, the information in this report is not considered to be confidential.

There are two types of data: (1) **required** data which must be reported under the LHIEAP statute and (2) **requested** data which are optional, in response to House Report 103-483 and Senate Report 103-251 LHIEAP Household Report--Long Format (the Excel file name is *hhsrptsl.xls*) and the instructions on completing the Report (the Word file name is *hhrplns.doc*) can be downloaded in the Forms sections of the Community Services' LHIEAP web site at: [www.acf.hhs.gov/programs/liheap/grantee\\_forms/index.html#household\\_report](http://www.acf.hhs.gov/programs/liheap/grantee_forms/index.html#household_report). The spreadsheet is page protected in order to keep the format uniform. The items in other areas of the spreadsheet cannot be modified. For example, the number of assisted and applicant households can not be entered. Each total will be calculated automatically for each type of assistance by when the poverty level data are entered.

Do the data below include estimated figures? No ☐Yes ☒ X

Mark "X" in the second column below for each type of assistance that has at least one estimated data

**1. RECOMMENDED LONG FORMAT FOR LHIEAP ASSISTED HOUSEHOLDS**

REQUIRED DATA												REQUESTED DATA	
Type of assistance	Mark "X" to indicate estimated	Number of assisted households	2009 HHS Poverty Guideline interval, based on gross income and household size						At least one member who is			At least one member who is	
			Under 75% poverty	75%-100% poverty	101%-125% poverty	126%-150% poverty	150% poverty	Over 150% poverty	60 years or older	Disabled	Age 5 years or under	Age 2 years or under	Age 3 years through 5 years
Heating		202,251	29,314	38,815	30,811	29,152	74,159	67,042	52,648	40,968	23,619	24,882	
Cooling													
Winter/year round crisis		18,679	4,574	3,323	2,637	2,231	5,914	4,588	5,580	5,607	3,306	3,371	
Summer crisis													
Other crisis (specify)													
Weatherization		11,041	593	1,171	1,425	1,767	6,085	6,333	3,115	1,185	609	791	

**2. RECOMMENDED FORMAT FOR LHIEAP APPLICANT HOUSEHOLDS (regardless of whether assisted)**

Type of assistance	Mark "X" to indicate estimated data	Number of applicant households	REQUIRED DATA						Income data unavailable
			2009 HHS Poverty Guideline interval, based on gross income and household size						
			Under 75% poverty	75%-100% poverty	101%-125% poverty	126%-150% poverty	Over 150% poverty		
Heating	X	239,955	34,777	46,050	36,554	34,585	87,989	-	
Cooling									
Winter/Year round crisis	X	18,680	4,574	3,323	2,637	2,231	5,914	1	
Summer crisis									
Other crisis (specify)									
Weatherization		11,041	593	1,171	1,425	1,767	6,085	0	

X Estimated, based on actual number of assisted households as of June 30, 2010. The FY 2010 heating season ended on April 30, 2010

Note: Include any notes below for section 1 or 2 (indicate which section, type of assistance, and item the note is referencing):

## AGENCY LETTERHEAD

### **Agreement to Supply Utility Services to Certified Clients of the Massachusetts Low-Income Home Energy Assistance Program**

Agreement for the furnishing of utility services pursuant to the Massachusetts Department of Housing and Community Development/Division of Community Services (DHCD/DCS) Low-Income Home Energy Assistance Program (the "Program", hereafter) made this \_\_\_\_\_ day of \_\_\_\_\_, 2\_\_\_\_\_, by and between \_\_\_\_\_ (the Agency), and \_\_\_\_\_ (Vendor's legal or DBA name and Employer Identification Number (EIN): \_\_\_\_\_)

In consideration of the mutual promises hereafter stated, the Agency and the Vendor agree as follows:

1. The Vendor shall, with reference to each of its customers certified by the Agency as being eligible under the Program (Certified Customer):
  - invoice the Certified Customer in accordance with the Vendor's established billing practice;
  - charge the Certified Customer after application of payments received for the Certified Customer's account from the Agency not more than the outstanding balance;
  - not discriminate against the Certified Customer regardless of the balance owed the Vendor by the Certified Customer in the event a Certified Customer enters into a reasonable payment plan agreement with the Vendor concerning outstanding balance and the Certified Customer is meeting her/his obligations under the agreement. Supply of utility service is subject to all applicable orders and regulations of the Massachusetts Department of Public Utilities (DPU); and,
  - not disclose to any individual or entity the Certified Customer's participation in the Program, except as authorized in writing by the Certified Customer and the Agency for Program purposes.
2. The Vendor shall provide the Agency with a statement of the Certified Customer's outstanding balance as of November 1<sup>st</sup> of the program year within 30 days of the Agency's request for such information.
3. The Vendor shall submit a bill or invoice by the 15<sup>th</sup> of the month for utility services furnished to each Certified Customer showing the name and address of the Certified Customer, the amount of utility service furnished and Vendor's charge for the preceding month's billing. The Vendor shall submit final billing by June 15<sup>th</sup> of the program year. DHCD/DCS reserves the right to monitor compliance with this provision and the Agency shall promptly report any problems to DHCD/DCS.
4. The Agency shall mail payment of the invoice to the Vendor within (30) days of receipt of each invoice unless the Agency has not received sufficient funds from DHCD/DCS to make the payment, in which event payment shall be mailed when the Agency receives sufficient funds from DHCD/DCS to make the payment.
5. Immediately upon receipt of payment from the Agency on behalf of a Certified Customer, the Vendor shall credit the amount of each such Certified Customer. The credit shall be no less than the full amount of the payment made by the Agency on behalf of each such Certified Customer.

**Agreement to Supply Utility Services to Certified Clients of the  
Massachusetts Low-Income Home Energy Assistance Program - Page 2**

1. The Vendor agrees that should Vendor send final notice of termination of utility services to a Certified Customer (or should the Vendor have terminated utility services to a Certified Customer), the Vendor shall not terminate utility services or shall immediately restore utility services upon receiving from the Agency a commitment that the Agency shall pay 25% of the Certified Customer's overdue balance owed the Vendor. The Vendor's obligations hereunder are subject to any overriding policy of the DPU.
7. The Agency and the Vendor agree funds for this Agreement shall be expended in accordance with the LIHEAP statute and regulations, the Massachusetts LIHEAP State Plan and Plan amendments and pursuant to established procedures set forth in DHCD/DCS "Administrative Guidance for Program Operators" as it may be reviewed or amended.
8. The Agency shall promptly notify the Vendor of the eligibility of each Certified Customer in writing (or electronically) within 7 days of certification of eligibility. The Vendor agrees to promptly take the following steps for each such Certified Customer, to the extent applicable under the Vendor's account procedures: (i) to code the Certified Customer's account as eligible for fuel assistance payments; (ii) to enroll the Certified Customer for the Vendor's discount rate, unless already eligible for the rate; and (iii) to code the Certified Customer's account as protected by the winter moratorium on terminations. For purposes of this paragraph, 'promptly' shall mean 'within 7 calendar days,' unless otherwise mutually agreed by the Vendor and the Agency.

Unless waived for good cause by the Agency as approved by DHCD; the Vendor must participate in the DHCD specified, statewide automated electronic notification, billing and payment processing format and prorate the bills of Certified Customers' through the program year's end date.

9. The Vendor agrees that in all instances involving discussions of payment plans with any Certified Customer it shall fully comply with Section 17(b) of Chapter 140 of the Acts of 2005 and DHCD/DCS' payment plan regulations. In no instance shall the Vendor or any of its employees or agents ask for or require a Certified Customer whose service has not yet been terminated to enter a payment plan of less than 4 months, nor shall the Vendor or its employees or agents seek or require an initial payment of more than 25% of the overdue bill of any such Certified Customer.
10. The Vendor agrees that it shall provide at least 1 designated contact person at the level of supervisor or higher who shall be available to the Agency by telephone and electronic mail for purposes of responding to all reasonable inquiries from the Agency regarding a range of questions, including but not limited to the following: submission of billing by the Vendor to the Agency; receipt of payments made by the Agency to the Vendor; arranging payment plans on behalf of individual Agency clients; timely coding of Agency client accounts for any applicable termination protections (especially the winter moratorium); eligibility for discount rates; and protocols for transferring information, bills and payments. The designated person(s) shall be authorized to make payment agreements, stop terminations, and order the restoration of terminated service.

The Vendor's designated contact person for handling Program questions and resolving Program issues:

Contact Name:

Title:

Telephone Number:

E-mail Address:

11. If requested by the Agency, the Vendor shall provide at no cost to the Agency, a record of annual energy consumption and cost for Certified customers, within a time frame specified by the Agency.

**Agreement to Supply Utility Services to Certified Clients of the  
Massachusetts Low-Income Home Energy Assistance Program - Page 3**

12. The Vendor agrees to allow representatives of the Agency and the Commonwealth (including without limitation DHCD/DCS) upon reasonable notice, access to all of its books and records pertaining to the Vendor's accounts with Certified Customers, for the purpose of monitoring the Vendor's compliance with Program requirements and with this agreement.
13. The Agency shall terminate this Agreement in writing and immediately cease making any further payments under the Program to the Vendor in the event that it is determined the Vendor has violated any material provision of this Agreement.
14. Unless amended, the period of performance of this Agreement shall be October 1, 2010 through September 30, 2011.
15. All amendments to this Agreement shall be in writing, signed by both the Vendor and the Agency, and require prior written approval by DHCD/DCS.

**AGENCY:**

\_\_\_\_\_  
*Signature*

**Name:**

\_\_\_\_\_

**Title**

\_\_\_\_\_

**Date:**

\_\_\_\_\_

**Vendor:**

\_\_\_\_\_  
*Signature*

**Name:**

\_\_\_\_\_

**Title:**

\_\_\_\_\_

**Date:**

\_\_\_\_\_

**Attachment 1: Certificate of Business, Business Permit or Certificate of Good Standing.**

## AGENCY LETTERHEAD

### Agreement for the Delivery of Kerosene to Certified Clients of the Massachusetts Low-Income Home Energy Assistance Program

Agreement for the delivery of kerosene pursuant to the Massachusetts Department of Housing and Community Development/Division of Community Services (DHCD/DCS) Low-Income Home Energy Assistance Program (the Program) made this \_\_\_\_\_ day of \_\_\_\_\_, 2\_\_\_\_\_, by and between \_\_\_\_\_ (the Agency), and \_\_\_\_\_ (Vendor legal or DBA Name) and Employer Identification Number (EIN): \_\_\_\_\_

In consideration of the mutual promises hereafter stated, the Agency and the Vendor agree as follows:

1. The Vendor shall, in each case where a delivery to one of its customers certified as eligible under the Program (Certified Customer) is authorized by the Agency:
  - charge the Certified Customer in accordance with the vendor's established billing practice, submitting a bill to the Agency at the posted price per gallon charged to non-eligible similarly situated customers, including those discounts for Certified Customers who are members of an established co-operative;
  - apply payments received against current deliveries only, and not to bills incurred prior to November 1<sup>st</sup> of the program year;
  - bill the Certified Customer no more than the total accounts receivable less payments received from the Agency;
  - not to discriminate against the Certified Customer on any basis prohibited by law, including, without limitation, offering deferred payment, level payment, credit, discount, budget, advance payment, or other credit plans;
  - make current deliveries to Certified Customers regardless of debt arrearage status, or shall hold the Agency harmless for arranging kerosene delivery by another kerosene vendor; and
  - not disclose to any individual or entity the Certified Customer's participation in the Program, except as authorized in writing by the Certified Customer and the Agency for Program purposes.
2. If requested by the Agency, the Vendor shall provide, at no cost to the Agency or the Certified Customer, an annual kerosene cost and consumption record for each Certified Customer, within a time frame specified by the Agency.
3. The Vendor shall make deliveries in accordance with established business practices, and secure the Certified Customer's signature on every metered delivery ticket. If the customer is not available, the Vendor agrees that a representative of the Vendor shall sign/initial the ticket. With each delivery, the Vendor shall provide a copy of the metered delivery ticket to the Certified Customer. No deliveries, except those agreed to by the Vendor and the Agency, shall be required on Saturdays, Sundays, or holidays. Except in the case of emergency, the Agency agrees to give the Vendor 24 hours advanced notice of requested delivery. Minimum delivery authorized shall be 100 gallons unless otherwise agreed on by the Vendor and the Agency and subject to the Certified Customer's maximum benefit level.
4. The Vendor shall submit a metered delivery slip (or legible copies) showing the Certified Customer's name and address, date of delivery, number of gallons delivered, the Vendor's posted price on date of delivery, total delivery cost, signed by the Certified Customer or the Vendor's

## Attachment 6

**Agreement for the Delivery of Kerosene to Certified Clients of the  
Massachusetts Low-Income Home Energy Assistance Program- Page 2**

authorized representative in accordance with industry practice, or shall submit a computerized invoice showing the Certified Customer's name and address, date of delivery, number of gallons delivered, posted price on that day, and total cost of the delivery, by the 15<sup>th</sup> of the month for the preceding month's billing. Within 30 days of the date on which the invoice is received by the Agency, the Agency shall mail payment to the Vendor unless the agency has not received funds from DHCD/DCS sufficient to cover such payment. The Vendor shall submit final billing by June 15<sup>th</sup> of the program year.

5. The Agency and the Vendor agree to abide by all established procedures set forth in DHCD/DCS' "Administrative Guidance for Program Operators", in any subsequent guidance and the provisions of the contract between DHCD/DCS and the Agency for the season. These documents shall be available at the Agency.
6. The Agency shall promptly notify the Vendor of the eligibility of each Certified Customer in writing within 7 days of certification of eligibility.
7. The Vendor agrees to deliver kerosene to the certified customer as authorized by the agency and to deliver kerosene within a reasonable period from the time delivery is authorized.
8. The Vendor agrees to defend, reimburse, indemnify, and hold the Agency and the Commonwealth harmless from any and all claims, debts, losses, causes of action and liabilities arising from any default or any negligent or wrongful act or omission of the Vendor, its agents, employees, or subcontractors.
9. The Vendor agrees to allow representatives of the Agency and the Commonwealth (including without limitation DHCD) upon reasonable notice, access to all of its books and records for the purpose of verifying compliance with this Agreement. The Vendor Monitoring procedures by DHCD/DCS and the Agency shall include examination, during site visits to Vendor, of delivery tickets/invoices for both Certified Customers and non-fuel assistance customers, to ensure pricing uniformity, correctness of billing, and compliance with applicable Massachusetts laws.
10. The Agency may terminate this Agreement in writing and immediately cease making any further payments under the Program to the Vendor in the event that the Vendor violates any material provision of this Agreement.
11. Unless amended, the period of performance of this Agreement shall be October 1, 2010 through September 30, 2011.
12. Any amendments to this Agreement shall be in writing, signed by both the Vendor and the Agency, and require prior written approval of DHCD/DCS.

AGENCY:

Signature

Name:

Title

Date:

Vendor:

Signature

Name:

Title:

Date:

**Attachment 1: Certificate of Business, Business Permit or Certificate of Good Standing.**

**Margin-Over-Rack (MOR)**  
**Agreement For Delivery of Home Heating Oil to Certified Clients of the**  
**Massachusetts Low-Income Home Energy Assistance Program**

Agreement for the delivery of #2 residential heating oil pursuant to the Massachusetts Department of Housing and Community Development/Division of Community Services (DHCD/DCS) Low-Income Home Energy Assistance Program (the Program) made this \_\_\_\_\_ day of \_\_\_\_\_, 2\_\_\_\_\_, by and between \_\_\_\_\_ (the Agency \_\_\_\_\_ (Vendor legal or DBA Name) and Employer Identification Number (EIN): \_\_\_\_\_

In consideration of the mutual promises hereafter stated, the Agency and the Vendor agree as follows:

1. The Vendor shall, in each case where a delivery to one of its customers certified as eligible under the Program (Certified Customer) is authorized by the Agency:
  - submit a bill to the Agency at the posted price per gallon charged to non-certified similarly situated customers, including those discounts for Certified Customers who are members of an established co-operative;
  - apply payments received against current deliveries only, and not bills incurred prior to November 1<sup>st</sup> of the program year;
  - until the Certified Customer's benefits under the Program are exhausted or until April 30<sup>th</sup> of the contract year, whichever occurs earlier, bill the Certified Customer directly only for total accounts receivable covering bills incurred prior to November 1<sup>st</sup> and/or other non-heating oil expenses not eligible for payment under the Program. The Certified Customer shall not be billed in any amount for gallons of oil delivered under the Program and paid for by the Agency pursuant to this Agreement.
  - not discriminate against the Certified Customer on any basis prohibited by law, including, without limitation, offering deferred payment, level payment, credit, discount, budget, advance payment or other credit plans;
  - make current deliveries to Certified Customers regardless of debt arrearage status, or shall hold harmless the Agency for arranging oil delivery by another oil vendor; and
  - not disclose to any individual or entity the Certified Customer's participation in the Program, except as authorized in writing by the Certified Customer and the Agency for Program purposes.
2. If requested by the Agency, the Vendor shall provide, at no cost to the Agency or Certified Customer, an annual oil cost and consumption record for each Certified Customer, within a time frame specified by the Agency.
3. The Vendor shall make deliveries in accordance with established business practices, within a delivery schedule negotiated with the Certified Customer and secure the Certified Customer's signature on every metered delivery ticket. If the customer is not available, the Vendor's representative shall sign/initial the ticket. With each delivery, the Vendor shall provide a copy of the metered delivery ticket to the Certified Customer. No deliveries, except those agreed to by the Vendor and the Agency, shall be required on Saturdays, Sundays, or Holidays. Except in the case of emergency the Agency agrees to give the Vendor 24 hours advance notice of requested delivery. Minimum delivery authorized shall be 100 gallons unless otherwise agreed by the Vendor and the Agency and subject to the Certified Customer's maximum benefit level.
4. The Vendor shall submit metered delivery slips (or legible copies by the 15<sup>th</sup> of the month for the preceding month's billing showing the Certified Customer's name and address, date of delivery, number of gallons delivered, the Vendor's posted price with adjustments for oil co-op, established



**Margin-Over-Rack (MOR)**  
**Agreement For Delivery of Home Heating Oil to Certified Clients of the**  
**Massachusetts Low-Income Home Energy Assistance Program - Page 2**

discount and/or prepaid discount prices on date of delivery, total delivery cost, and signed by the Certified Customer or the Vendor's authorized representative in accordance with industry practice, or shall submit a computerized invoice showing the Certified Customer's name and address, date of delivery, number of gallons delivered, posted price on that day with adjustments for oil co-op, established discount and/or pre-paid discount prices, and total cost of the delivery, by the 15<sup>th</sup> of the month for preceding month's billing. Within 30 days of the date on which the invoice is received by the Agency, the Agency shall mail payment to the Vendor unless the Agency has not received funds from DHCD/DCS sufficient to cover such payment. The Vendor shall submit final billing by June 15<sup>th</sup> of the program year.

5. For every gallon of oil delivered to a Certified Customer under the Program, the Agency shall reimburse the Vendor the amount which equals the lesser of the Vendor's posted price on the date of delivery with adjustments for oil-co-op, established discount and/or prepaid discount prices or the price calculated adding a margin of 40 cents to a daily or weekly average rack price based on "Oil Price Information Service (OPIS) Web Rack" as calculated by DHCD/DCS.

Balance billing of the differential between retail gallons delivered and gallons paid for by the Agency is not allowed.

6. The Agency and the Vendor agree that in the event of unusual oil market volatility resulting in significant changes in the wholesale pricing of #2 home heating oil, DHCD/DCS may, at its discretion, suspend temporarily or otherwise the pricing method set forth in paragraph 5 above, in order to provide emergency relief to participating vendors. Such suspension may include, without limitation, an adjustment or change in the method of calculating the rack price to which the margin is added. The Agency shall notify the Vendor concerning any such suspension following written notification to the Agency from DHCD/DCS.
7. The Agency shall promptly notify the Vendor of the eligibility of each Certified Customer in writing within 7 days of certification of eligibility.
8. Except in the case of an emergency, the Vendor agrees to deliver #2 heating oil to Certified Customers as authorized by the Agency within a delivery schedule negotiated with the Certified Customer.
9. The Vendor agrees to defend, reimburse, indemnify, and hold harmless the Agency and the Commonwealth from any and all claims, debts, losses, causes of action and liabilities arising from any default or any negligent or wrongful act or omission of the Vendor, its agents, employees, or subcontractors.
10. The Vendor agrees to allow representatives of the Agency and the Commonwealth (including without limitation DHCD/DCS) upon reasonable notice, access to all of its books and records for the purpose of verifying compliance with this Agreement. Vendor Monitoring procedures by DHCD/DCS and the Agency shall include examination, during site visits to the Vendor, of delivery tickets/invoices for both Certified Customers and non-fuel assistance customers, to ensure pricing uniformity, correctness of billing, and compliance with applicable Massachusetts laws.
11. The Agency may terminate this Agreement in writing and cease immediately making any further payments under the Program to the Vendor in the event the Vendor violates any material provision of this Agreement.

**Margin-Over-Rack (MOR)**  
**Agreement For Delivery of Home Heating Oil to Certified Clients of the**  
**Massachusetts Low-Income Home Energy Assistance Program - Page 3**

12. Unless amended, the period of performance of this Agreement shall be October 1, 2010 through September 30, 2011.
13. Any amendments to this Agreement shall be in writing, signed by both the Vendor and the Agency and require prior written approval by DHCD/DCS.

<b>AGENCY:</b> _____ <i>Signature</i>	<b>Vendor:</b> _____ <i>Signature</i>
<b>Name:</b> _____	<b>Name:</b> _____
<b>Title</b> _____	<b>Title:</b> _____
<b>Date:</b> _____	<b>Date:</b> _____

**Attachment 1: Certificate of Business, Business Permit or Certificate of Good Standing.**

## Attachment 6

**Agreement For Delivery of L.P. Gas to Certified Clients of the Massachusetts Low-Income Home Energy Assistance Program**

Agreement for the delivery of L.P. gas pursuant to the Massachusetts Department of Housing and Community Development/Division of Community Services (DHCD/DCS) Low-Income Home Energy Assistance Program (the Program) made this \_\_\_\_\_ day of \_\_\_\_\_, 2\_\_\_\_\_, by and between \_\_\_\_\_ (the Agency), and \_\_\_\_\_ (Vendor legal or DBA Name) and Employer Identification Number (EIN): \_\_\_\_\_

In consideration of the mutual promises hereafter stated, the Agency and the Vendor agree as follows:

1. The Vendor shall, in each case where a delivery to one of its customers certified as eligible under the Program (Certified Customer) is authorized by the Agency:
  - invoice the Certified Customer in accordance with the Vendor's established billing practice, submitting a bill to the Agency as the posted unit price charged to non-certified similarly situated customers of the Vendor;
  - bill the Certified Customer no more than the total accounts receivable less payments received from agency;
  - not discriminate against the Certified Customer on any basis prohibited by law, including without limitation, offering deferred payment, level payment, credit, discount, budget, advance payment or other credit plans;
  - make current deliveries to Certified Customers regardless of debt arrearage status, subject to payment agreement between the Vendor and the Certified Customer on prior arrearages;
  - not disclose to any individual or entity the Certified Customer's participation in the Program, except as authorized in writing by the Certified Customer and Agency for Program purposes.
2. If requested by the Agency, the Vendor shall provide, at no cost to the Agency or the Certified Customer, a record of annual gas consumption and cost for each Certified Customer, within a time frame specified by the Agency.
3. The Vendor shall make deliveries in accordance with established business practice, within a delivery schedule negotiated with the certified Customer, and secure the Certified Customer's signature on every metered delivery ticket. If the customer is not available, the Vendor agrees that the truck driver or other vendor representative shall sign/initial the ticket. No deliveries, except those agreed to by the Vendor and the Agency shall be required on Saturdays, Sundays, or holidays. Except in the case of emergency, the Agency agrees to give the Vendor 24 hours advance notice of requested delivery. The Vendor agrees to provide the Certified Customer with a metered delivery slip at the time of delivery.
4. The Vendor shall submit a metered delivery slip (or legible copy) or computerized invoice for delivery of gas showing the Certified Customer name and address, date of delivery, the number of gallons delivered, the Vendor's posted price on date of delivery, the total cost of the delivery, signed by the Certified Customer or the Vendor's authorized representative in accordance with industry practice, to the Agency by the 15<sup>th</sup> of the month for the preceding months' billing. If canisters are utilized, a bill or invoice shall suffice. Within 30 days of the date on which the invoice is received by the Agency, the Agency shall mail payment to the Vendor unless the Agency has not received funds from DHCD/DCS sufficient to cover such payment. The Vendor shall submit final billing by June 15<sup>th</sup> of the program year.

## Attachment 6

**Agreement For Delivery of L.P. Gas to Certified Clients of the Massachusetts Low-Income Home Energy Assistance Program - Page 2**

5. The Agency and the Vendor agree to abide by all established procedures set forth in DHCD/DCS' "Administrative Guidance for Program Operators", in any subsequent guidance and the provisions of the contract between DHCD/DCS and the Agency for the season. All of these documents shall be available at the Agency.
6. The Agency shall promptly notify the Vendor of the eligibility of each Certified Customer in writing within 7 days of certification of eligibility.
7. The Vendor agrees to defend, reimburse, indemnify, and hold the Agency and the Commonwealth harmless from any and all claims, debts, losses, causes of action and liabilities arising from any default or any negligent or wrongful act or omission of the Vendor, its agents, employees, of subcontractors.
9. The Vendor agrees to allow representatives of the Agency and the Commonwealth (including without limitation DHCD/DCS) upon reasonable notice, access to all; of its books and records for the purpose of verifying compliance with this Agreement. Vendor monitoring procedures by DHCD/DCS and the Agency shall include examination, during site visits to the Vendor, of delivery ticket/invoices for both Certified Customers and non-fuel assistance customers, to ensure pricing uniformity, correctness of billing, and compliance with applicable Massachusetts laws.
10. The Agency may terminate this Agreement in writing and immediately cease making any further payments under the Program to the vendor in the event that the Vendor violates any material provision of this Agreement.
11. Unless amended, the period of performance of this Agreement shall be October 1, 2010 through September 30, 2011.
12. Any amendments to this Agreement shall be in writing, be signed by both the Vendor and the Agency, and require prior written approval by DHCD/DCS.

AGENCY:

Signature

Vendor:

Signature

Name:

Name:

Title

Title:

Date:

Date:

**Attachment 1: Certificate of Business, Business Permit or Certificate of Good Standing.**

## Attachment 6

**Agreement For Delivery of Firewood to Certified Clients of the Massachusetts Low-Income Home Energy Assistance Program**

Agreement for the delivery of firewood pursuant to the Massachusetts Department of Housing and Community Development/Division of Community Services (DHCD/DCS) Low-Income Home Energy Assistance Program (the Program) made this \_\_\_\_\_ day of \_\_\_\_\_, 2\_\_\_\_\_, by and between \_\_\_\_\_ ( the Agency), and \_\_\_\_\_ (Vendor legal or DBA Name) and Employer Identification Number (EIN): \_\_\_\_\_

In consideration of the mutual promises hereafter stated, the Agency and the Vendor agree as follows:

1. The Vendor shall, in each case where a delivery to one of its customers certified as eligible under the Program (Certified Customer) is authorized by the Agency:
  - charge the Certified Customer in accordance with the Vendor's established billing practice, submitting a bill to the Agency at the cubic-foot price charged to non-certified similarly situated customers;
  - deliver wood that has been cut and aged for a minimum of one year, with the understanding that wood cut and aged less than one year may be delivered if agreed to in writing by the Certified Customer and Vendor;
  - apply payments received against current deliveries only, and not to arrearages incurred prior to November 1<sup>st</sup> of the program year;
  - bill the Certified Customer no more than the total accounts receivable less payments received from the Agency;
  - not discriminate against the Certified Customer on any basis prohibited by law, including, without limitation, offering deferred payment, level payment, credit, discount, budget, advance payment or other credit plans;
  - make current deliveries to Certified Customers regardless of debt arrearage status or hold the Agency harmless for arranging wood deliveries by another vendor;
  - not disclose to any individual or entity the Certified Customer's participation in the Program, except as authorized in writing by the Certified Customer and Agency for Program purposes.
2. If requested by the Agency, the Vendor shall provide, at no cost to the Agency or the Certified Customer, a record of annual wood consumption and cost for each Certified Customer, within a time frame specified by the Agency.
3. The Vendor shall make deliveries in accordance with established business practices, and accordingly secure the Certified Customer's signature on every delivery ticket. If the customer is not available, the Vendor agrees that a Representative of the Vendor shall sign/initial the ticket. No deliveries except those agreed to by the Vendor and the Agency shall be required on Saturdays, Sundays or holidays except in the case of an emergency.
4. The Vendor shall submit a bill for delivery of wood showing the Certified Customer's name and address, date of delivery, number of cubic feet of wood delivered, age of wood, cut/split condition, Vendor's posted price on date of delivery, total cost of delivery, signed by the Certified Customer and the Vendor's authorized Representative, to the Agency by the 15<sup>th</sup> of the month for the preceding month's billing. Within 30 days of date on which the bill is received by the Agency, the Agency shall mail payment to the Vendor unless the agency has not received funds from DHCD/DCS sufficient to cover such payment. The Vendor shall submit final billing by June 15<sup>th</sup> of the program year.

## Attachment 6

**Agreement For Delivery of Firewood to Certified Clients of the Massachusetts Low-Income Home Energy Assistance Program - Page 2**

5. The Agency and the Vendor agree to abide by all established procedures as set forth in DHCD/DCS' "Administrative Guidance for Program Operators" and in any subsequent guidance and the provisions of the contract between DHCD/DCS and the Agency for the season. All of these documents shall be available at the Agency.
6. The Agency shall promptly notify the Vendor of the eligibility of each Certified Customer in writing within 7 days of certification of eligibility.
7. The Vendor agrees to deliver firewood to Certified Customers as authorized by the Agency and except in emergency circumstances requiring immediate delivery to deliver wood within a reasonable period from the time of delivery authorization.
8. The Vendor agrees to defend, reimburse, indemnify, and hold harmless the Agency and the Commonwealth from any and all claims, debts, losses, causes of action and liabilities arising from any default or any negligent or wrongful act or omission of the Vendor, its agents, employees, or subcontractors.
9. The Vendor agrees to allow representatives of the Agency and the Commonwealth (including without limitation DHCD/DCS) upon reasonable notice, access to all of its books and records for the purpose of verifying compliance with this Agreement. Procedures for monitoring the Vendor by DHCD/DCS and the Agency shall include examination, during site visits to the Vendor, of delivery tickets/invoices for both Certified Customers and non-fuel assistance customers, to ensure pricing uniformity, correctness of billing, and compliance with applicable Massachusetts laws.
10. The Agency may terminate this Agreement in writing and immediately cease making any further payments under the Program to the Vendor in the event that the Vendor violates any material provision of this Agreement.
11. Unless amended, the period of performance of this Agreement shall be October 1, 2010 through September 30, 2011.
12. Any amendments to this Agreement shall be in writing, signed by both the Vendor and the Agency, and require prior written approval by DHCD/DCS.

AGENCY:

Signature/Date

Vendor:

Signature/Date

Name:

Name:

Title

Title:

**Attachment 1: Certificate of Business, Business Permit or Certificate of Good Standing.**

**Attachment 6**

**Agreement For Delivery of Coal to Certified Clients of the Massachusetts Low-Income Home Energy Assistance Program**

Agreement for the delivery of coal pursuant to the Massachusetts Department of Housing and Community Development/Division of Community Services (DHCD/DCS) Low-Income Home Energy Assistance Program (the Program) made this \_\_\_\_\_ day of \_\_\_\_\_, 2\_\_\_\_\_, by and between \_\_\_\_\_ (the Agency), and \_\_\_\_\_ (Vendor legal or DBA Name) and Employer Identification Number (EIN): \_\_\_\_\_

In consideration of the mutual promises hereafter stated, the Agency and the Vendor agree as follows:

1. The Vendor shall, in each case where a delivery to one of its customers certified as eligible under the program (Certified Customer) is authorized by Agency:
  - charge the Certified Customer in accordance with the Vendor's established billing practice, submitting a bill to the Agency at the tonnage price charged to non-eligible similarly situated customers;
  - apply payments received against current deliveries only, and not to arrearages incurred prior to November 1<sup>st</sup> of the program year;
  - bill the customer no more than the total accounts receivable less payments received from the Agency;
  - not discriminate against the Certified Customer on any basis prohibited by law, including, without limitation, offering deferred payment, level payment, credit, discount, budget, advance payment or other credit plans;
  - make current deliveries to Certified Customers regardless of debt arrearage status or shall hold the Agency harmless for arranging coal deliveries by another vendor; and,
  - not disclose to any individual or entity the Certified Customer's participation in the Program, except as authorized in writing by the Certified Customer and the Agency for Program purposes.
2. If requested by the Agency, the Vendor shall provide, at no cost to the Agency or the Certified Customer, a record of annual coal consumption and cost for each Certified Customer, within a timeframe specified by the Agency.
3. The Vendor shall make deliveries in accordance with established business practices, and accordingly secure the Certified Customer's signature on every delivery ticket. If the customer is not available, the Vendor agrees that the Vendor's representative shall sign/initial the ticket. With each delivery the Vendor shall leave a copy of the delivery ticket with the Certified Customer. No deliveries, except those agreed to by the Vendor and the Agency shall be required on Saturdays, Sundays, or holidays. Except in the case of emergency, the Agency agrees to give the vendor 24 hours advance notice of requested delivery.
4. The Vendor shall submit a bill for delivery of coal showing the Certified Customer's name and address, date of delivery, number of tons delivered, type of coal, the Vendor's posted price on date of delivery, total cost of delivery, and signed by the Certified Customer and the authorized Vendor Representative, to the Agency by the 15<sup>th</sup> of the month for the preceding month's billing. Within 30 days of date on which the bill is received by the Agency, the Agency shall mail payment to the Vendor unless the Agency has not received funds from DHCD/DCS sufficient to cover such payment. The Vendor shall submit final billing by June 15<sup>th</sup> of the program year.
5. The Agency and the Vendor agree to abide by all established procedures set forth in DHCD/DCS' "Administrative Guidance for Program Operators" and in any subsequent guidance and the

**Agreement For Delivery of Coal to Certified Clients of the Massachusetts Low-  
Income Home Energy Assistance Program - Page 2**

provisions of the contract between DHCD/DCS and the Agency for the season. All of these documents shall be available at the Agency.

6. The Agency shall promptly notify the Vendor of the eligibility of each Certified Customer in writing within 7 days of certification of eligibility.
7. The Vendor agrees to deliver coal to Certified Customers as authorized by the Agency and to deliver coal within a reasonable period from the time delivery is authorized.
8. The Vendor agrees to defend, reimburse, indemnify, and hold the Agency and the Commonwealth harmless from any and all claims, debts, losses, causes of action and liabilities arising from any default or any negligent or wrongful act or omission of the Vendor, its agents, employees, or subcontractors.
9. The Vendor agrees to allow representatives of the Agency and the Commonwealth (including without limitation DHCD/DCS) upon reasonable notice, access to all of its books and records for the purpose of verifying compliance with this Agreement. Procedures for monitoring the Vendor by DHCD/DCS and the Agency shall include examination, during site visits to the Vendor, of delivery tickets/invoices for both Certified Customers and non-fuel assistance customers, to ensure pricing uniformity, correctness of billing, and compliance with applicable Massachusetts laws.
10. The Agency may terminate this Agreement in writing and immediately cease making any further payments under the Program to the Vendor in the event the Vendor violates any material provision of this Agreement.
11. Unless amended, the period of performance of this Agreement shall be October 1, 2010 through September 30, 2011.
12. Any amendments to this Agreement shall be in writing, signed by both the Vendor and the Agency, and require prior written approval by DHCD/DCS.

<b>AGENCY:</b> _____	<b>Vendor:</b> _____
<i>Signature</i>	<i>Signature</i>
<b>Name:</b> _____	<b>Name:</b> _____
<b>Title:</b> _____	<b>Title:</b> _____
<b>Date:</b> _____	<b>Date:</b> _____

**Attachment 1: Certificate of Business, Business Permit or Certificate of Good Standing.**



**Attachment 6**

**Agreement for Delivery of Corn to Certified Clients of the Massachusetts Low-Income Home Energy Assistance Program**

Agreement for the delivery of corn pursuant to the Massachusetts Department of Housing and Community Development/Division of Community Services (DHCD/DCS) Low-Income Home Energy Assistance Program (the Program) made this \_\_\_\_\_ day of \_\_\_\_\_, 2\_\_\_\_\_, by and between \_\_\_\_\_ (the Agency), and \_\_\_\_\_ (the Vendor).

In consideration of the mutual promises hereafter stated, the Agency and the Vendor agree as follows:

1. The Vendor shall, in each case where a delivery to one of its customers certified as eligible under the Program (Certified Customer) is authorized by the Agency:
  - charge the Certified Customer in accordance with the Vendor's normal billing practice, submitting a bill to the Agency at the price charged to non-eligible similarly situated customers;
  - apply payments received against current deliveries only, and not to arrearages incurred prior to November 1<sup>st</sup> of the program year;
  - bill the Certified Customer no more than the total accounts receivable less payments;
  - not discriminate against the Certified Customer on any basis prohibited by law, including, without limitation, offering deferred payment, level payment, credit, discount, budget, advance payment, or other credit plans;
  - make current deliveries to Certified Customers regardless of debt arrearage status or hold the Agency harmless for arranging corn deliveries by another vendor; and,
  - not disclose to any individual or entity the Certified Customer's participation in the Program, except as authorized in writing by the Certified Customer and Agency for Program purposes.
2. If requested by the Agency, the Vendor shall provide, at no cost to the Agency or the Certified Customer, a record of annual corn consumption and cost for each Certified Customer, as specified by the agency.
3. The Vendor shall make deliveries in accordance with established business practices, and secure the Certified Customer's signature on every delivery ticket. If the customer is not available, the Vendor agrees that a representative of the Vendor shall sign/initial the ticket. With each delivery, the Vendor shall leave a copy of the delivery ticket with the Certified Customer. No deliveries, except those agreed to by the Vendor and the Agency shall be required on Saturdays, Sundays, or holidays. Except in the case of emergency, the Agency agrees to give the Vendor 24 hours advance notice of requested delivery.
4. The Vendor shall submit for delivery of corn showing the Certified Customer's name, date of address, date of delivery, number of pounds delivered, the Vendor's posted price on date of delivery, the total cost of the delivery, and signed by Certified Customer and the Vendor's authorized representative, to the Agency by the 15<sup>th</sup> of the month for the preceding month's billing. Within 30 days of date on which the bill is received by the Agency, the Agency shall mail payment to the Vendor unless the Agency has not received funds from DHCD/DCS sufficient to cover such payment. The Vendor shall submit final billing by June 15<sup>th</sup> of the program year.





Commonwealth of Massachusetts  
**DEPARTMENT OF HOUSING &  
COMMUNITY DEVELOPMENT**

Deval L. Patrick, Governor ♦ Timothy P. Murray, Lt. Governor ♦ Tina Brooks, Undersecretary

**NOTICE OF JOINT PUBLIC HEARING**

**Fiscal Year 2011 - 2012  
Community Services Block Grant (CSBG) Program**

**and**

**Fiscal Year 2011 Low Income Home Energy Assistance Program (LIHEAP)**

**10:00 A.M. - 12:00 P.M., THURSDAY, JULY 15, 2010**

A joint public hearing on the draft Fiscal Year 2011 - 2012 Community Services Block Grant (CSBG) State Plan and the draft FY 2011 Low Income Home Energy Assistance Program (LIHEAP) State Plan will be held from 10:00 a.m. - 12:00 p.m. on Thursday, July 15, 2010. The public hearing will take place at the Department of Housing and Community Development (DHCD), Conference Rooms C and D, 2<sup>nd</sup> Floor, 100 Cambridge Street, Boston.

Copies of the draft State Plans will be posted to the DCS/DHCD web site ([www.mass.gov/dhcd](http://www.mass.gov/dhcd)) prior to the hearing. If you would like hard copies of the draft State Plans, please call Debbie Michaud, Administrative Assistant, Division of Community Services at 617-573-1405, or e-mail at [community\\_services@hotmail.com](mailto:community_services@hotmail.com).

Written comments on the draft State Plans will be accepted until July 22, 2010. Comments may be sent to: Gerald Bell, Manager, Community Services Unit, Division of Community Services, Department of Housing and Community Development, 100 Cambridge Street, Boston, MA 02114.

GB/dlm

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State, Tribe or Territory (and grant official):	Commonwealth of Massachusetts	Date/Fiscal Year: 2011
<b>RECENT AUDIT FINDINGS</b>		
<p><i>Describe any audit findings of material weaknesses and reportable conditions, questioned costs and other findings cited in FY2010 or the prior three years, in annual audits, State monitoring assessments, Inspector General reviews, or other Government Agency reviews of LIHEAP agency finances.</i></p> <p>The Massachusetts Department of Housing and Community Development (DHCD) agency audit coordinator from the Office of Administration and Finance (OAF) works with the division's Finance Director and Program managers (program non-compliance) to draft and implement a corrective action plan to address findings. Follow-up is done by the agency audit coordinator and CFO to ensure continued implementation. Last year's audit for LIHEAP had a finding cited for lack of reconciliation with the Comptrollers Central Draw of LIHEAP funds.</p>	<p><i>Please describe whether the cited audit findings or relevant operations have been resolved or corrected. If not, please describe the plan and timeline for doing so in FY 2011.</i></p> <p>OAF is responsible for the cash management function occurring between the agency, the Comptroller's and Treasurer's Offices for all Central Draw activity; they have decided that hiring a temporary accountant to bring the reconciliation up to date for this year's audit. This will fill the gap until OAF can hire the now vacant account manager position, who will be responsible for this function.</p> <p>Furthermore, the Division of Community Services is in the process of fully automating its LIHEAP cash request and expenditure reporting process through the DHCD – CAA E.</p>	<p><i>If there is no plan in place, please explain why not.</i></p> <p>Not applicable.</p> <p><i>Necessary outcomes from these systems and strategies.</i></p> <p>No Audit findings in Fiscal Year 2011.</p>

	Government system.		
<i>Please provide full descriptions of the State's plans and strategy in this area, and attach/reference excerpts from relevant policy documents.</i>			<i>The timely and thorough resolution of weaknesses or reportable conditions as revealed by the audit.</i>
<b>COMPLIANCE MONITORING</b>			
<p><i>Describe the State's FY 2010 strategies that will continue in FY 2011 for monitoring compliance with State and Federal LIHEAP policies and procedures by the State and local administering agencies.</i></p> <p>The Division of Community Services' (DCS) Fiscal and Compliance Unit (FCU) and the Community Services Unit (CSU) respectively perform fiscal and program monitoring on an annual basis. DCS shall continue to review/modify program monitoring procedures to ensure compliance with all state and federal laws, regulations, and the LIHEAP Administrative Guidance and operating procedures.</p> <p>DCS often conducts post-audit reviews as a component of its monitoring system. The post-audit review is designed to address eligibility, accountability and policy issues, and to ensure compliance with administrative guidelines.</p> <p>LIHEAP program monitoring includes, but is not limited to, inspecting and reviewing client records, administrative procedures and expenditures, vendor payments, requests for disbursement of funds, and other program-related activities. Written reports are produced documenting the results or findings of each visit. These reports state results of compliance reviews, outline operational strengths, identify observed weaknesses, and, as appropriate, note required corrective actions and timeframes for implementation. Furthermore, CSU initially identified nine (9) agencies to participate in a pilot performance monitoring process in FY 2009. Additional Subgrantees, particularly the ones that participated in the onsite assessment in FY 2009, were preselected for desk reviews in FY 2010.</p>	<p><i>Please highlight any strategies for compliance monitoring from your plan which will be newly implemented as of FY 2011.</i></p> <p>DHCD will continue to conduct both on-site assessments and remote desk reviews of a preselected group of Subgrantee agencies in FY 2011. All 22 Subgrantees shall be monitored in FY 2011.</p> <p>As in previous years, DHCD shall require Subgrantees to develop a LIHEAP work plan for the upcoming fiscal year. The new work plan will be based on a modified set of LIHEAP Outcome Measures. After approval, the</p>	<p><i>If you don't have a firm compliance monitoring system in place for FY'11, please describe how the State is verifying that LIHEAP policy and procedures are being followed.</i></p> <p>Not applicable.</p>	<p><i>Necessary outcomes from these systems and strategies.</i></p> <p>Reduce the error rate of LIHEAP Subgrantee application certification.</p>

<p>Those agencies' performance was monitored by remotely accessing client databases from DHCD. DHCD will continue to conduct remote desk review of a preselected group of Subgrantee agencies in FY 2011.</p> <p>Subgrantee performance is monitored through the following reporting mechanism as well:</p> <ul style="list-style-type: none"> <li>(1) Weekly reporting of client data.</li> <li>(2) Monthly reporting of client and program expenditures data.</li> <li>(3) Cash Requests and Expenditure Reports.</li> </ul> <p>DHCD has a HEATLINE that takes calls year-round from existing and potential new applicants. Calls are screened and returned. All certification issues are immediately brought to Subgrantees' attention.</p>	<p>work plan document will be incorporated into the Fiscal Year 2011 LIHEAP contract. During the program year, each LIHEAP subgrantee shall be required to submit an annual program progress report based on its work plan. During on site monitoring, DHCD monitors progress toward meeting each LIHEAP agency's work plan goals.</p>		
<p><i>Please provide full descriptions of the State's plans and strategy in this area, and attach/reference excerpts from relevant policy document.</i></p>			<p><i>A sound methodology, with a schedule for regular monitoring and a more effective monitoring tool to gather information.</i></p>

## FRAUD REPORTING MECHANISMS

<p><i>FY 2010 activities continuing in FY 2011, please describe all (a) mechanisms available to the public for reporting cases of suspected LIHEAP fraud, waste or abuse? [These may include telephone hotlines, websites, email addresses, etc.] (b) strategies for advertising these resources.</i></p>	<p><i>Please highlight any tools or mechanisms from your plan which will be newly implemented in FY 2011, and the timeline for that implementation.</i></p>	<p><i>If you don't have any tools or mechanism available to the public to prevent fraud or improper payments, please describe your plan for involving all citizens and stakeholders involved with your program in detecting fraud.</i></p>	<p><i>Necessary outcomes of these strategies and systems.</i></p>
<p>DHCD's Office of the Chief Counsel has developed and implemented an agency-wide procedure based upon the State Inspector General's Office Toolkit for Fraud, Waste and Abuse. This division also distributed this Toolkit (see attached) to all Subgrantees operating programs across the division.</p> <p>The Commonwealth of Massachusetts has several Fraud, Waste and Abuse reporting hotlines:</p> <p>Inspector General's Office: 800-322-1323</p> <p>Attorney General's Office: 617-727-3465</p> <p>Division of Unemployment Assistance: 800-354-9927</p> <p>The Commonwealth's public employees are also encourages to report fraud, waste and abuse of public funds to the Inspector General pursuant to M.G.L. c.12A, and other violations of the law pursuant to Massachusetts Whistleblower Protection Act, M.G.L. c.149 section 185.</p>	<p>The State Inspector General's Toolkit and Fraud reporting hotlines shall be provided to all LIHEAP Subgrantees during DHCD's annual LIHEAP Training Conference's Fraud, Waste, and Abuse prevention session on September 14, 2010 (see the training section of this supplement).</p> <p>DHCD shall enforce the existing Fraud, Waste and Abuse Prevention and improper payment reporting structure involving intake workers, fiscal staff, LIHEAP directors, and State officials.</p>	<p>Not Applicable.</p>	<p>Each LIHEAP intake worker, LIHEAP certifier, Program Manager, Fiscal Director, and internal controls staff will have the necessary knowledge of new fraud and improper payment reporting process both within and outside of their respective agency.</p>

## VERIFYING APPLICANT IDENTITIES

<i>Describe all FY 2010 State policies continuing in FY2011 for how identities of applicants and household members are verified.</i>	<i>Please highlight any policy or strategy from your plan which will be newly implemented in FY2011.</i>	<i>If you don't have a system in place for verifying applicant's identities, please explain why and how the State is ensuring that only authentic and eligible applicants are receiving benefits.</i>	<i>Necessary outcomes from these systems and strategies.</i>
<p>Picture identification for the head of household is provided as well as in cases when a proxy is used when applying for LIHEAP. Verification of a client's address and identification is required to be on file for all LIHEAP applicants as part of the certification requirements.</p> <p>The following are examples of documents used to establish identity:</p> <p>Valid Driver's License or State I.D. Card; Student Identification Card; U.S. Military Card; United States Passport; Current USCIS (formerly known as INS) Employment Authorization Card; Current Foreign Passport with Attached Employment Authorization; Certificate of U.S. Citizenship; Certification of Naturalization; Alien Registration Card (Green Card); MBTA Senior/Transportation Access Pass (TAP) Charlie Card ID; or Employee identification card.</p> <p>If an applicant is unable to provide picture identification, the subgrantees are required to note the type of identification provided on the application Comment Sheet. Furthermore, recertified households with a new household member must provide further identification, e.g., a birth certificate. Households with a deceased member are required to provide a copy of death certificate of the person deceased.</p> <p>LIHEAP applicants must have a Massachusetts address as their primary residence to become eligible for program benefits. Households must demonstrate that the unit at the given address (e.g., house, condo, rental unit, etc.) is their primary residence. During the fuel season, household members must reside at the address stated on their LIHEAP application. All heads of household must provide address verification. The address and identification verification obtained from prior year LIHEAP recipients does not need to be updated unless the client has moved or there is a new head of household.</p> <p>Acceptable forms of address verification include: copies of bills (e.g., gas, electric, telephone, cable) with service address; most recent Massachusetts income tax form (no older than previous year);</p>	<p>DHCD shall continue to enforce its current policy and require picture identification for all members of a LIHEAP applicant's household with questionable household composition and/or non-traditional living arrangements.</p> <p>DHCD shall require that agencies continue to use a "Stop Payment" feature currently available on their LIHEAP software. This feature allows a Subgrantee to temporarily suspend payments to households in question.</p> <p>Regarding <u>non-emergency</u> households, there may be instances where the Subgrantee becomes aware of the ineligibility of a LIHEAP applicant's housing unit. For LIHEAP purposes, Ineligible Units include the following: condemned units; units without occupancy permits; units with inoperable or hazardous heating</p>	<p>Not applicable.</p>	<p>Positive identification of applicants and other members of LIHEAP households with questionable identification, household composition, or non-traditional living arrangement.</p> <p>Continue to provide assistance to LIHEAP eligible households only.</p>



<p>Driver's License, only if address on license matches address on application; "Tenant/Landlord Form" (sent by agency to landlord and signed by landlord); copy of current lease; or fixed income documentation, with current address.</p> <p>Applicants in the following living arrangements are not eligible for LIHEAP. These include: public or private institutional group care facilities such as nursing homes, foster care homes, college/university housing, illegal rooming houses, group homes, treatment centers, sober homes ("twelve-step" programs), transitional housing, or similar living arrangements; Correctional facilities; dormitories, fraternity or sorority houses and similar living arrangements. Hotels and motels and other LIHEAP-defined ineligible dwelling units, which include mobile structures: campers, recreational vehicles (RVs), boats, cars, trucks, etc., are not eligible.</p>	<p>sources. If a subgrantee becomes aware of the above circumstances, the subgrantee should exercise one or more of the following options: report unit to the local board of health; stop payment until issue is remedied; deny client (client retains the right to appeal decision at local and state levels); refer household to other resources including but not limited to: local government offices; Non-profit corporations; and Legal Services. The guidelines for <u>emergency heat situations</u> supersede this policy concerning ineligible units.</p> <p>Subject to cost and any legal prohibitions, DHCD may implement a <i>Performance Verification System</i> that will match Applicant and other members of the LIHEAP households' Social Security Number against the State's Vital Records. Due to increasing restrictions on accessing Criminal Offender Record Information (CORI), accessing prisoner database may not be a feasible option.</p>		
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<i>please provide full descriptions of the State's plans and strategy in this area, and attach/reference excerpts from relevant policy documents</i>			<i>Income and energy supplier data that allow program benefits to be provided to eligible individuals.</i>
<b>SOCIAL SECURITY NUMBER REQUESTS</b>			
<p><i>Describe the State's FY2011 policy in regards to requiring Social Security Numbers from applicants and/or household members applying for LIHEAP benefits.</i></p> <p>DHCD requests Social Security Numbers (SSNs) from applicants and other adult household members on their application for LIHEAP assistance. This is accomplished by issuing the Standardized LIHEAP Application and Authorization Language (<a href="http://www.mass.gov/Ehed/docs/dhcd/cd/liheap/11lip-app.pdf">http://www.mass.gov/Ehed/docs/dhcd/cd/liheap/11lip-app.pdf</a>) document, which is then implemented in its entirety by all subgrantee agencies.</p> <p>Although almost all LIHEAP applicants and other household members in Massachusetts provide SSNs when applying for LIHEAP assistance, in certain situations, an SSN may not be provided by an applicant.</p>	<p><i>Please describe whether the State's policy for requiring or not requiring Social Security numbers is new as of FY2011, or remaining the same.</i></p> <p>Existing policy: in absence of a statutory authority superseding the Privacy Act of 1974, as amended (5 U.S.C. section 552 (a) (note), collecting social security numbers as a precondition for LIHEAP assistance is not feasible at this point. The State shall continue its current practice of not denying benefit if an applicant refuses to provide an applicant's SSN or does not have such a number. Continued enforcement of the current policy is needed to maintain the current collection rate of Social Security numbers.</p> <p>DHCD, during FY 2011 will</p>	<p><i>If the State is not requiring Social Security Numbers of LIHEAP applicants and/or household members, please explain what supplementary measures are being employed to prevent fraud.</i></p> <p>If a Social Security Number is not provided, a unique Agency Code and LIHEAP Application number is used. The SSN of each household member is compared to all SSNs in Subgrantee databases.</p>	<p><i>Necessary outcomes from these systems and strategies.</i></p> <p>Maintain the current Social Security Number collection rate for the development of a Performance Verification System (see SSN verification process).</p>

	develop a <i>Performance Verification System</i> to test the validity of thousands of Social Security Numbers it collects each year (see <i>Cross-Checking Social Security Numbers Against Government Systems/Databases</i> ).		
<i>Please provide full descriptions of the State's plans and strategies in this area, and attach/reference excerpts from relevant policy documents</i>			<i>All valid household members are reported for correct benefit determination.</i>
<b>CROSS-CHECKING SOCIAL SECURITY NUMBERS AGAINST GOVERNMENT SYSTEMS/DATABASES</b>			
<p><i>Describe if and how the State used existing government systems and databases to verify applicant or household member identities in FY2010 and continuing in FY2011. (Social Security Administration Enumeration Verification System, prisoner databases, Government death records, etc.)</i></p> <p>Currently there is no electronic verification process in place.</p>	<p><i>Please highlight which, if any, policies or strategies for using existing government databases will be newly implemented in FY2011.</i></p> <p>Subject to cost and any legal prohibitions, during FY 2011, DHCD shall develop a LIHEAP <i>Performance Verification System (PVS)</i> for full implementation in FY 2011. Depending on timely availability of LIHEAP funding, the system could start verifying Social Security numbers during the 2010 – 2011 heating season. The goal of this <i>Performance</i></p>	<p><i>If the State won't be cross checking Social Security Numbers and ID information with existing government databases, please describe how the State will supplement this fraud prevention strategy.</i></p> <p>Not applicable.</p>	<p><i>Necessary outcomes from these systems and strategies</i></p> <p>Prevent Fraud, Waste, and Abuse and potential improper LIHEAP payments.</p>

	<p><i>Verification System</i> is to:</p> <ol style="list-style-type: none"><li>1) Transmit Social Security Numbers to government databases and verify the validity of those numbers.</li><li>2) Determine the accuracy of household composition, household members' whereabouts, applicant identity, and LIHEAP eligibility within 40 working days in non-crisis situations.</li><li>3) Prevent fraud during the application phase and terminate potential improper payments, if any, during and after certification.</li><li>4) Report and refer individuals committing fraud or other such acts to appropriate authorities.</li><li>5) Track client outcomes at least on a quarterly basis to measure the impact of LIHEAP assistance on low-</li></ol>		
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	income households.		
Please provide full descriptions of the State's plans and strategy in this area, and attach/reference excerpts from relevant policy documents.			<i>Use of all available database systems to make sound eligibility and benefit determination.</i>
<b>VERIFYING APPLICANT INCOME</b>			
<p><i>Describe how the State or its designees used State Directories of new hires or similar systems to confirm income eligibility in FY2010 and continuing in FY 2011.</i></p> <p>Other than verifying income of households claiming no/zero income, currently there is no such electronic verification system in place. However, the LIHEAP program documents and verifies income in the following manner.</p> <p>Current forms of documentation include: consecutive pay checks, employment letter, IRS Tax Forms, W-2s, Unemployment Benefit statement, Child Support letter, Odd Job verification form, etc. The LIHEAP software prompts the user to verify the accuracy of each required document. All zero income households must complete the No Income/Low-Income Verification Form. Furthermore, all households must provide additional information about how they are meeting their expenses when the total household income exceeds total housing costs by less than \$200 per month.</p> <p>In cases of self-prepared taxes, Form 4506T is required to obtain the tax transcripts from the IRS. Until the tax transcript is received by the agency, notarized copies of the required tax forms for any category may be substituted.</p> <p>Massachusetts does not support asset testing of LIHEAP applicants. However, each applicant is required to submit proof of lump sum income, which includes but is not limited to capital gains, profits from liquidation of stocks and bonds, inheritances, royalties, severance pay, pension or IRA withdrawals for certain age group, lottery winnings, one-time child support payment, insurance</p>	<p><i>Please highlight any policies or strategies for using new hire directories which will be newly implemented in FY2011.</i></p> <p>Massachusetts shall continue to enforce its current income verification policy and procedures.</p>	<p><i>If the State won't be using new hire directories to verify applicant and household member incomes how will the State be verifying the that information?</i></p> <p>See column 1.</p>	<p><i>Necessary outcomes from these systems and strategies.</i></p> <p>Increased income verification of no income households through the current Wage Match system pursuant to M.G.L. C. 62 E.</p>

<p>payments (excluding death benefits or third party payments), etc. Lump sum income is countable if received within the 12 months prior to the application date. Receipts from a specific lump sum item are only counted once.</p> <p>Households reporting zero income for two years in a row must be reported to DHCD in the form of a Wage Match request. Names and SSNs of all adult members of zero income households are then matched against the Massachusetts Department of Revenue (DOR) Wage Match Reporting System. The system verifies wages, if any. Anomalies reported through the Wage Match process are then shared with subgrantee agencies for follow-up and recoupment of LIHEAP benefit, where applicable.</p>	<p>Massachusetts will consider expanding its current Wage Match policy and conduct a Wage Match of all households claiming zero income during the year they apply for assistance.</p>		
<p><i>please provide full descriptions of the State's plans and strategy in this area, and attach/reference excerpts from relevant policy documents</i></p>			<p><i>Effective income determination achieved through coordination across program lines.</i></p>
<p><b>PRIVACY-PROTECTION AND CONFIDENTIALITY</b></p>			
<p><i>Describe the financial and operating controls in place in FY2010 that will continue in FY 2011 to protect client information against improper use or disclosure.</i></p> <p>The subgrantee and all the subgrantee subcontractors hold all personal data under LIHEAP Contract in accordance with Section 6 of the Commonwealth Terms and Conditions and any applicable State privacy and confidentiality regulations, including, without limitation, 801 CMR 3.00 (Fair Information Practices), M.G.L. c. 66A, 201 CMR 17.00 (Security Breaches), M.G.L. c. 93H, and Executive Order No. 504 (Security and Confidentiality of Personal Information). Specifically, all LIHEAP program staff with access to personal information are to read these regulations and the executive order 504, and certify that they have read the executive order. They should review the presentation on personal information found at <a href="http://www.mass.gov/Ehed/docs/dhcd/legal/EO504Training2009.pps">http://www.mass.gov/Ehed/docs/dhcd/legal/EO504Training2009.pps</a>.</p> <p>A subgrantee has to deliver to the Department, within 14 days of a written request by the Department following the termination of the LIHEAP Contract, such personal data relating to the LIHEAP</p>	<p><i>Please highlight any controls or strategies from your plan which will be newly implemented as of FY2011.</i></p> <p>The State has implemented significant new privacy and client confidentiality requirements. FY 2011 will be the first year of implementing procedures including guiding subgrantees through their Information Security Plans.</p>	<p><i>If you don't have relevant physical or operational controls in place to ensure the security and confidentiality of private information disclosed by applicants, please explain why.</i></p> <p>Not applicable.</p>	<p><i>Necessary outcomes from these systems and strategies.</i></p> <p>Continue to safeguard Personally Identifiable Information both at the subgrantee and at the State level.</p> <p>Report any personal data breach, following procedures outlined in information security plans.</p>

<p>Contract as the Department may request; provided that the subgrantee may keep copies of any personal data delivered to the Department; and provided further, that for purposes of this sentence, the term, “personal data”, shall not include the Subgrantee’s personnel records.</p> <p>Furthermore each year, Massachusetts issues a Standardized LIHEAP Application Item and Authorization Language (<a href="http://www.mass.gov/Ehed/docs/dhcd/cd/liheap/11lip-app.pdf">http://www.mass.gov/Ehed/docs/dhcd/cd/liheap/11lip-app.pdf</a>) that contains specific provisions pertaining to: client confidentiality and privacy of information collected. Additional written client authorization is required for sharing of information not allowed under the Application Authorization Language.</p> <p>Subgrantees are required to design their intake sites in such a way so that they can ensure the privacy of their clients during the application interview. Subgrantees are encouraged to use separate offices or partitioned areas for application intake. These areas are to be clearly isolated from the client waiting area, the reception desk, and the staff work area. Subgrantees shall ensure that privacy for clients and compliance with the rules of confidentiality shall be adhered to at every site, whether staffed by the subgrantee’s staff or volunteers.</p> <p>Each year, during the LIHEAP Training Conference, DHCD hosts a session on Confidentiality, Privacy, and Information Security including safeguarding Personal Identifiable Information.</p> <p>Executive Order No. 504 <a href="http://www.mass.gov/Eoca/docs/idtheft/eo504.pdf">http://www.mass.gov/Eoca/docs/idtheft/eo504.pdf</a> mandates the LIHEAP Subgrantees and the Massachusetts Department of Housing and Community Development to implement certain privacy and client confidentiality provisions.</p> <p>Both aggregated and non-aggregated client data is transferred to and from the State through a secure online system. Only authorized employees are granted access. Subgrantees are strongly encouraged to cross out Personally Identifiable Information (PIP) on LIHEAP applications when they are submitted to the State for review. After review, all PIPs are shredded, stored in a locked file cabinet, or saved electronically in a secured directory.</p>	<p>FY 2011 LIHEAP Training Conference will include topics pertaining to privacy-protection and confidentiality in the context of federal and state laws and regulations.</p>		
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<p><i>Please provide full descriptions of the State's plans and strategy in this area, and attach/reference excerpts from relevant policy documents.</i></p>			<p><i>Clear and secure methods that maintain confidentiality and safeguard the private information of applicants.</i></p>
<p><b>LIHEAP BENEFITS POLICY</b></p>			
<p><i>Describe FY2010 State policies continuing in FY2011 for protecting against fraud when making payments, or providing benefits to energy vendors on behalf of clients.</i></p> <p>Massachusetts is primarily a vendor-pay program where payments are issued directly to an applicant's heating vendor minimizing the risk of fraud or misuse of LIHEAP funds. Each heating vendor is bound by a Vendor Agreement that specifies their billing, receivable, and reporting requirements. (See client eligibility, billing and payment provisions included under Unregulated Vendor section).</p> <p>For regulated Utility vendors, there is an electronic eligibility, billing, and payment process in place. A standard file format is used to transmit client data and payments.</p> <p>Procedures and controls to mitigate the risk: Each subgrantee submits a monthly cash request/report to the Fiscal Compliance Unit (FCU). The cash request is date-stamped by the LIHEAP account coordinator upon receipt. The LIHEAP Account Coordinator reviews the cash request and supporting documentation. The review is based upon the reasonableness of funds drawn for approved activities, whether the grantee is in compliance with reporting requirements, there are approved amendments on file, there are no outstanding audit and/or monitoring compliance issues. The LIHEAP account coordinator generates document, and forwards to the Director of Finance for approval. Then the Payment Request Form are then forwarded to OAF for MMARS processing.</p>	<p><i>Please highlight any fraud prevention efforts relating to making payments or providing benefits which will be newly implemented in FY2011.</i></p> <p>No changes in FY 2011 other than measures outlined below under Energy Vendor related sections.</p>	<p><i>If the State doesn't have policy in place to protect against improper payments when making payments or providing benefits on behalf of clients, what supplementary steps is the State taking to ensure program integrity.</i></p> <p>Not applicable.</p>	<p><i>Necessary outcomes from these systems and strategies.</i></p> <p>Continue to process payments only to LIHEAP authorized energy vendors.</p>



<p><i>Please provide full descriptions of the State's plans and strategy in this area, and attach/reference excerpts from relevant policy document.</i></p>			<p><i>Authorized energy vendors are receiving payments on behalf of LIHEAP eligible clients.</i></p>
<p><b>PROCEDURES FOR UNREGULATED ENERGY VENDORS</b></p>			
<p><i>Describe the State's FY 2010 procedures continuing in FY2011 for averting fraud and improper payments when dealing with bulk fuel dealers of heating oil, propane, wood and other un-regulated energy utilities.</i></p> <p>The Massachusetts LIHEAP is primarily a vendor-pay program, therefore prevention of fraud and improper payments to utility vendor are key. At present, LIHEAP accomplishes this goal by implementing the following checks and balances:</p> <p>Standard Vendor Contract – each year, DHCD issues boilerplate standard contract language that is then converted into a contract between a subgrantee and an individual unregulated energy vendor. The contract, at minimum, stipulates provisions encompassing the following areas: (a) billing, and payments; (2) non-discrimination of low-income customers; (3) privacy and client confidentiality; (4) proof of delivery; (5) access to records. LIHEAP heating oil delivery prices are set by DHCD, therefore, the heating oil contract also includes a provision on Margin-Over-Rack (MOR) pricing system.</p> <p>To establish a list of LIHEAP eligible clients, each subgrantee notifies their contracted vendors of client eligibility.</p> <p>In order to receive payment, vendors have to submit delivery tickets and/or computer invoices for services provided. Tickets for oil, propane (not canisters), and kerosene include a meter reading indicating the number of gallons delivered. Tickets for wood deliveries specify the age, log size, and cut of the delivered wood. The client signs a statement indicating the delivery is satisfactory. Pellets must be of good quality. The Subgrantee requests from the client a Delivery Ticket or Store Receipt</p>	<p><i>Please highlight any strategies policy in this area which will be newly implemented in FY2011.</i></p> <p>All unregulated vendors shall be required to follow steps outlined in Verifying the Authenticity of Energy Vendors below.</p>	<p><i>If you don't have a firm plan for averting fraud when dealing with unregulated energy vendors, please describe how the State is ensuring program integrity.</i></p> <p>Not applicable.</p>	<p><i>Necessary outcomes from these systems and strategies.</i></p> <p>Continue to process payments only to LIHEAP authorized vendors.</p>

<p>showing the purchase of pellets by the client.</p> <p>During DHCD onsite monitoring a sample of unregulated vendor payments are drawn and tested.</p>			
<p><i>Please provide full descriptions of the State's plans and strategy in this area, and attach/reference excerpts from relevant policy document</i></p>			<p><i>Participating vendors are thoroughly researched and inspected before benefits are issued.</i></p>
<p><b>VERIFYING THE AUTHENTICITY OF ENERGY VENDORS</b></p>			
<p><i>Describe State FY 2010 policies continuing in FY2011 for verifying the authenticity of energy vendors being paid under LIHEAP, as part of the State's procedure for averting fraud.</i></p> <p>A standard contract outlining responsibilities for the LIHEAP Subgrantee and the energy vendor is currently in place.</p> <p>Standard delivery, billing, and payment procedures are currently in place.</p> <p>Once a year, the State receives a list of all energy vendors receiving LIHEAP funds. The list is reviewed periodically for accuracy and payment trends.</p>	<p><i>Please highlight any policies for verifying vendor authenticity which will be newly implemented in FY2011.</i></p> <p>During FY 2011, all LIHEAP energy vendors shall be required to use their Legal Name, Employer Identification Number, and attach a copy of their Business Certificate, License, or Certificate of Good Standing with the signed contract.</p> <p>Vendor data collected during FY 2011 shall be utilized to develop an unduplicated LIHEAP statewide vendor list.</p> <p>The list will be verified periodically by LAAs and DHCD</p>	<p><i>If you don't have a system in place for verifying vendor authenticity, please describe how the State can ensure that funds are being distributed through valid intermediaries?</i></p>	<p><i>Necessary outcomes from these systems and strategies.</i></p> <p>A statewide unduplicated verified list of energy vendors.</p>

	against local or state business registry offices.		
<i>Please provide full descriptions of the State's plans and strategy in this area, and attach/reference excerpts from relevant policy documents</i>			<i>An effective process that effectively confirms the existence of entities receiving federal funds.</i>
<b>TRAINING AND TECHNICAL ASSISTANCE</b>			
<i>In regards to fraud prevention, please describe elements of your FY2010 plan continuing in FY2011 for training and providing technical assistance to (a) employees, (b) non-governmental staff involved in the eligibility process, (c) clients, and (d) energy vendors.</i>  Each year, the State hosts a LIHEAP Training Conference. Although fraud prevention was not included as a specific topic in the past, LIHEAP subgrantee employees are always trained on application certification process, fiscal responsibilities, reporting, and payment processes, and Cyber Security procedures. Subgrantees often host follow-up trainings at their own sites. Additional technical assistance is provided during onsite monitoring of LIHEAP Subgrantees.	<i>Please highlight specific elements of your training regiment and technical assistance resources from your plan which will represent newly implemented in FY2011.</i>  The FY 2011 LIHEAP Training Conference will include more than six hours of training on the following topics: <ul style="list-style-type: none"><li>- Fraud, Waste, and Abuse Prevention by the Massachusetts Comptroller's Office.</li><li>- LIHEAP Program Integrity Measures.</li><li>- LIHEAP Fiscal Policy and Procedures.</li></ul>	<i>If you don't have a system in place for anti-fraud training or technical assistance for employees, clients or energy vendors, please describe your strategy for ensuring all employees understand what is expected of them and what tactics they are permitted to employ.</i>  Not applicable.	<i>Necessary outcomes from these systems and strategies.</i>  Train 200 LIHEAP, LIHEAP Weatherization, and State LIHEAP employees.

	<p>Additional topics include:</p> <ul style="list-style-type: none"> <li>- Application Certification Process.</li> <li>- FY 2011 guidance changes.</li> <li>- Implementation of LIHEAP Performance Measures.</li> </ul> <p>A key component of training and technical assistance is finding a way to train all subgrantee and State LIHEAP employees on fraud prevention measures. During FY 2011, the State will explore the possibility of identifying local, regional, and national training opportunities. Planned use of LIHEAP Administrative Funds will be required.</p>		
<p><i>Please provide full descriptions of the State's plans and strategy in this area, and attach/reference excerpts from relevant policy documents</i></p>			<p><i>The timely and thorough resolution of weaknesses or reportable conditions as revealed by the audit.</i></p>

AUDITS OF LOCAL ADMINISTERING AGENCIES			
<p><i>Please describe the annual audit requirements in place for local administering agencies in FY2010 that will continue into FY 2011.</i></p> <p>Audits of Local Administering Agencies (subgrantees). A-133 Single Audits are required of Local administering agencies (subgrantees) if the agency's total federal financial assistance received during the audit period exceeds \$500,000. DCS' Audit Coordinator is responsible for tracking audits, reviewing corrective action plans if findings are cited, and determining the management disposition of the finding. If the agency is below the A-133 Single Audit threshold a letter from the agency CEO or CFO is required to be on file.</p> <p>The Massachusetts LIHEAP is administered locally by 19 Community Action Agencies (CAAs), two (2) other non-profit organizations, and one City government department.</p>	<p><i>Please describe new policies or strategies to be implemented in FY 2011.</i></p> <p>The State will continue to enforce strategies currently in place.</p>	<p>If you don't have specific audit requirements for administering agencies, please explain how the Grantee will ensure that LIHEAP funds are properly audited under the Single Audit Act requirements.</p> <p>Not applicable.</p>	<p>Necessary outcomes from these systems and strategies.</p> <p>Local Administering Agencies' Audit show no material findings or reportable conditions.</p>
<p><i>Please provide full descriptions of the State's plans and strategy in this area, and attach/reference excerpts from relevant policy documents</i></p>			<p><i>Reduce improper payments, maintain local agency integrity, and benefits awarded to eligible households.</i></p>

REFERENCES

A Toolkit for Departments to Combat Fraud, Waste and Abuse, Comptroller of the Commonwealth, November 2009 (Attached)  
“Safeguarding Information: Understanding Confidentiality, Privacy, and Security”, Massachusetts Department of Housing and Community Development, July 2009 (Attached)  
Also see, FY 2011 LIHEAP State Plan, Attachment E, LIHEAP Vendor Agreements.  
“Fiscal Year 2011 Massachusetts Low-Income Home Energy Assistance Program (LIHEAP) Standardized Application Items and Authorization”  
<<<http://www.mass.gov/Ehed/docs/dhcd/cd/liheap/11lip-app.pdf>>>  
Executive Order No. 504, <<<http://www.mass.gov/Eoca/docs/idtheft/eo504.pdf>>>